



USAID/RTI/Iraq

**Iraq Local Institutional Support and
Development Program
(Local Governance Project)**

Base Year Annual Report

(March 2003 – March 2004)

Version 1

**Contract Number:
EDG-C-00-03-00010-00**
Baghdad, Iraq

June 2004

Prepared by
RTI International
P.O. Box 12194
3040 Cornwallis Road
Research Triangle Park, NC 27709-2194

Prepared for
USAID Baghdad



Table of Contents

Table of Contents	ii
List of Figures	iii
List of Abbreviations	iv
Executive Summary	v
Background/Project Objective	v
Project Accomplishments	v
Project Constraints and Limitations	vi
Rapid-Response Grants	vii
Sustainability of Effort	vii
Lessons Learned	viii
Part I. Technical Report	9
Overview	9
Context at the Onset of LGP	9
Focus and Goals of LGP	10
Implementation Strategy	10
SO 4.1: Iraqi Citizens Benefit from Improved Local Governance	12
Overview	12
Strategy	12
Overall Accomplishments	13
Impact of Accomplishments	15
Sustainability of Effort	15
Program Adjustment and Plans for Option Year 1 (Year 2)	15
IR 4.1.1: Increased Access to Basic Services	17
Overview	17
Accomplishments	17
Impact of Accomplishments	18
Sustainability of Effort	22
Program Adjustment and Plans for Option Year 1 (Year 2)	22
IR 4.1.2: More Transparent and Participatory Local Governance Processes	23
Overview	23
Accomplishments	24
Impact of Accomplishments	27
Sustainability of Effort	28
Program Adjustment and Plans for Option Year 1 (Year 2)	28
IR 4.1.3: More Effective and Efficient Local Service Delivery	29
Overview	29
Accomplishments	29
Impact of Accomplishments	34
Sustainability of Effort	34
Program Adjustment and Plans for Option Year 1 (Year 2)	34

IR 4.1.4: More Effective Advocacy and Participation of CSOs	35
Overview	35
Accomplishments	35
Impact of Accomplishments	36
Sustainability of Effort	36
Program Adjustment and Plans for Option Year 1 (Year 2)	36
Part II: Financial Report	37
Overview	37
Exhibit 1. Rapid-Response Grants: Status by Region and Governorate	38
Exhibit 2. Cumulative Base Year Actual & Accruals and Budget by IR and by CLIN	48
Exhibit 3. Cumulative Base Year Actual & Accruals and Budget by CLIN	49
Exhibit 4. Cumulative Base Year Costs by IR	50
Exhibit 5. Base Year Level of Effort Expenditure Analysis (Unloaded Labor expenses)	51

List of Figures

Figure 1. LGP Resident Expatriate Staff Deployment	11
Figure 2. LGP Year 1 Program Strategy	13
Figure 3. Number of Beneficiaries by Selected Sectors	18

List of Abbreviations

CCN	Cooperating country national
CDP	Civic Dialogue Program
CPA	Coalition Provisional Authority
CSO	Civil society organization
CTO	Cognizant Technical Officer
DAI	Development Alternatives, Inc.
GST	Government support team
IFDD	Iraq Foundation for Development and Democracy
IGC	Iraqi Women in Local Governance Group
IOM	International Organization for Migration
IR	Intermediate result
IRDC	Iraqi Reconstruction and Development Council
IWLGG	Iraqi Women in Local Governance Group
KRG	Kurdistan Regional Government
LGP	Local Governance Project
LGPO	Local Government Powers Order
LGT	Local Governance Team
LOE	Level of effort
NGO	Nongovernmental organization
OTI	USAID's Office of Transition Initiatives
PSD	Personal Security Detail
QOL	Quality of life
SO	Strategic Objective
TAL	Transitional Administrative Law
TCN	Third-country national
TNA	Transitional National Assembly
USAID	U.S. Agency for International Development
UNICEF	United Nations Children's Fund
WHO	World Health Organization

Executive Summary

Background/Project Objective

The first year of the United States Agency for International Development (USAID) Iraq Local Institutional Support and Development Program, also referred to as the Local Governance Project (LGP), implemented by RTI International ended on March 25, 2004. During this period, LGP collaborated and worked closely with the Coalition Provisional Authority (CPA), Coalition Forces' Government Support Teams (GSTs), and other USAID contracts to improve living conditions for all Iraqis and lay a foundation for peace, democracy, freedom, and prosperity in Iraq.

LGP began work within Iraq in April 2003, when a near total vacuum existed in the ability of Iraqi institutions to provide basic services such as water, sewer, electricity, and solid waste collection and disposal. The project carried out activities in all 18 governorates, with resident teams in 17 of the 18 governorates. As of March 31, 2004, more than 200 international personnel from 36 countries were serving in long-term assignments in the governorates or in project headquarters in Baghdad, and approximately 2,400 Iraqi staff were directly employed by the project.

The focus of LGP in the Base Year was mainly on restoring basic services, increasing the efficiency and effectiveness of local service delivery, developing a transparent and accountable subnational government, and developing and strengthening civil society organizations (CSOs). To this end, LGP recruited and fielded expatriate professional city managers, utilities specialist, public administrators, public finance specialists, and civil society experts. It began operations from four regional hub offices (Al Basrah, Al Hillah, Baghdad and Arbil) and as the situation permitted placed teams in each governorate. LGP worked toward an average staffing level of 8–10 expatriate (U.S. and third-country national [TCN]) staff in each governorate, 10–12 in each of four regional service centers, and about 40 at project headquarters. Temporary-duty personnel and other support staff made up the rest of the staffing complement. In addition, the LGP sought a model of approximately five Iraqi staff per expatriate staff member.

Project Accomplishments

Restoring Basic Services. Early in the project the main focus was on restoring basic services. Indeed, for the better part of the year, LGP was the main USAID contract working with local government service providers to restore access to essential services. Small-scale repair projects and small infrastructure improvements were carried out through technical assistance provided by some of the international LGP staff with experience in public utility operations and city management. They completed this work via a rapid-response grant program that funded small repairs, purchase of spare parts, purchase of small tools and monitoring equipment such as water quality monitoring and test equipment, and refurbishment of facilities.

LGP Helps Umm Qasr Keep Children in Schools

One noteworthy example of early project accomplishments is a \$300 grant made by the Chief of Party, Deputy Chief of Party, and the Program Monitoring and Evaluation Director to the Interim Municipal Council of Umm Qasr, Al Basrah, to enable students in rural areas to complete the school year. The \$300 was collected from these LGP members and used to pay for transportation of teachers to and from school for the remainder of the school year. The impact was immediate. Not only did this act help overturn decades of neglect and collective punishment, it served as a powerful symbol for a new generation of Iraqi citizens.

By March 31, 2004, LGP service restoration activities have provided access to basic services for large numbers of Iraqis across the country. Directly and indirectly, close to 21 million people have accessed one or more restored services: water, electricity, sewerage services, solid waste removal, primary health care, and education.

Increasing Efficiency and Effectiveness. LGP improved the efficiency and effectiveness of local government service departments through workshops, on-the-job training, formal seminars, study tours, and individual day-to-day interactions. These efforts focused on bringing contemporary city management tools and techniques to Iraqi technical personnel, who generally are well trained in their technical/professional specialties, but have little exposure to modern public sector management methods and are unaccustomed to notions of customer satisfaction and accountability to the public. LGP provided technical assistance to local government departments to build and enhance their capacity to plan, budget, implement, and manage service delivery programs. Department personnel were trained on expenditure forecasting (budgets historically have been set at the central level and simply handed to local department heads), current services budgeting, capital budgeting, performance measurement, and customer satisfaction surveys. In addition, LGP provided technical assistance, training, and rapid-response grants for development, installation, and use of modern accounting and financial management systems.

Transparent and Accountable Local Government System. The primary local political institution on which LGP has focused is the governorate, district, subdistrict, and neighborhood councils. Instead of the “executive council” or secretariat of department heads and central appointees, LGP worked with CPA and GSTs to establish representative councils across Iraq from the neighborhood to the governorate level. By March 31, 2004, LGP had facilitated the formation of and worked with 445 neighborhood, 194 subdistrict, 90 district, and 15 provincial councils.

The council formation process has varied considerably across Iraq, depending on the degree of stability and the conditions at the end of the formal conflict. In Baghdad, working with military civil affairs and CPA civilian staff, LGP formed 88 neighborhood councils using a form of “town meeting” in which citizens were invited to two or three neighborhood meetings. At the second or third meeting, individuals wishing to serve on a neighborhood council nominated themselves, made brief “campaign” speeches, and then were elected by those present by way of secret ballot. Neighborhood councils then selected a subset of their members to represent the neighborhood in a district council (districts in Baghdad are similar to New York City boroughs). The nine district councils then selected representatives to the city council. The full neighborhood, district and city councils were formed in Baghdad by July 2003. Later, LGP worked to expand the city council to form a provincial council by forming councils in outlying small towns, which then selected representatives to the provincial council.

Similar processes throughout Iraq have resulted in the formation of councils representing relatively small population segments in neighborhoods or rural villages all the way to entire governorates. The process is ongoing, as some councils formed in various ways immediately at the end of the formal conflict proved to be unrepresentative of the population. Other ongoing processes—such as augmenting the councils to include unrepresented and under-represented population groups such as women or certain tribes—continue to increase the representativeness of councils.

CSO Assistance. For civil society, LGP has worked with existing and newly formed citizen groups to help them develop agendas that can be met or at least assisted by local government. The focus has been on restoring a sense of civil society by improving the ability of subnational institutions to deliver services to the people and forming or strengthening CSOs to hold local government officials accountable for their performance and actions. In addition, LGP has helped individuals identify others with common interests to form associations. Associations of professionals, youth, women, disabled veterans, and other interest groups have been formed with LGP assistance. LGP assistance to such groups mainly focuses on how such groups can serve as watchdogs over local government, articulate needs to local government, and assist local government as partners to achieve common ends.

Project Constraints and Limitations

By April 2003, the security situation had deteriorated across the country since the initiation of the program. This deterioration initially hampered and slowed down the recruitment of expatriate

professionals. As a result, the LGP did not reach its targeted staffing level until the beginning of December.

In addition, the security situation restricted the teams' movement partly due to insufficient number of international Personal Security Detail (PSD) as well as a shortage of armor vehicles. Threat assessments have also locked down teams in their residences. As nearly all program activities benefit from frequent interaction with counterparts and field visits, these circumstances slowed project momentum overall.

LGTs also faced some limitations caused by a lack of standardized training material or technical assistance packages. Because team members were developing their own materials, the democracy training lacked a uniform message.

LGP activities were implemented unevenly across LGTs. For example, CSO activities in one area differed significantly from those in another. Some areas focused on the development of neighborhood advisory councils, while others did not. This was partly due to the unique combination of influences on the LGTs coming from the CPA governance coordinators, brigade commanders, and GSTs.

Finally, the "rush to sovereignty" imposed changes on priorities.

Rapid-Response Grants

During Year 1 LGP received and processed 210 rapid-response grant application worth \$15.5 million. By March 25, 2003, of the 210 grants, 122 grants were completed and the remainder were in progress (see Exhibit 1). LGP used rapid-response grants to restore essential services, to strengthening local councils by refurbishing and providing meeting places, to strengthen service delivery departments by rehabilitating and furnishing their offices, and to strengthen capacities of CSOs. Rapid-response grants were also used to give legitimacy to Coalition Forces- and CPA-appointed or selected governors, mayors, and council members by enabling them to be responsive to citizens needs. All grantees were subnational government institutions or LGP-recognized CSOs.

Rapid-response grants were distributed across many sectors, including civil society, local government (rehabilitation of council buildings), education, health, electricity, water, sanitation, and sewerage. Grants were also used to fund initiatives that promote local economic development—for example, the renovation or construction of open markets, office buildings and center city parks. These activities also generate revenue for local government.

Sustainability of Effort

Sustainability of LGP activities is ensured by

- Working with local universities and building their capacity to deliver technical assistance, research, and training services to subnational governmental institutions. For example, LGP has worked with Babil University, Mawsil University, Basrah University and Salahaddin University in Arbil.
- Recruiting, hiring, and training Iraqi professional staff to deliver LGP technical assistance and training to subnational governmental institutions. For example, by March 31, 2004, LGP had 350 senior Iraqi professionals on its program staff. Recent events attest to the fact that this has been accomplished successfully: when LGP temporarily relocated international program staff from across the country to safe havens, project activities were carried out by the Iraqi professional staff who remained.
- Training a cadre of trainers-of-trainers selected from subnational governmental institutions to spread the knowledge and skills transferred to them by LGP. For example, LGP has trained more than 12 trainers-of-trainers for Amanat Baghdad.

Lessons Learned

- ♦ Increased use of Iraqi professionals to implement elements of the LGP activities has helped LGTs to penetrate more communities and subnational government institutions.
- ♦ Technical assistance, combined with training and rapid-response grants, has facilitated effective transfer of knowledge and skills to counterparts and strengthened the capacities of service delivery departments.
- ♦ LGP work with local universities has the potential of ensuring sustainability of LGP activities and building local capacity for technical assistance and training to subnational government institutions and CSOs.
- ♦ Limitations placed on LGP by the CPA Governance Group and USAID slowed down the process of building and strengthening intergovernmental relations among provincial governments and central government ministries and decentralization efforts.
- ♦ Effectiveness of LGTs would have been enhanced had their residences and operational assets—including PSDs and armored vehicles—been in place before mobilization.
- ♦ LGTs' effectiveness would have been much higher had RTI and USAID funded preparation of training and technical assistance packages for use by LGTs.

Part I. Technical Report

Overview

The United States Agency for International Development (USAID) Iraq Local Institutional Support and Development Program (Local Governance Project [LGP]), managed by RTI International¹, began work within Iraq in April 2003, when Iraqi institutions lacked the capability to provide basic services such as water, sewer, electricity, and solid waste collection and disposal. LGP began work in each governorate (province) as it was declared “permissive”², first through LGP staff deployed in four regional hubs and subsequently through the presence of full-time resident staff in each governorate. The project has carried out activities in all 18 governorates, with resident teams in 17 governorates. As of March 31, 2004, more than 200 international personnel from 36 countries were serving in long-term assignments in the governorates or in project headquarters in Baghdad, and approximately 2,400 Iraqis were employed by the project in various categories. Iraqi personnel included more than 550 staff dedicated to the Civic Dialogue Program (CDP) mandated by the Coalition Provisional Authority (CPA); of these 550, approximately 350 Iraqis are employed as program staff and the rest serve as security guards, drivers, and support staff.

Context at the Onset of LGP

Prior to April 2003, government in Iraq was highly centralized, with all subnational government entities established by and accountable to central government. The three northern governorates above the so-called Green Line³ were relatively autonomous from the rest of Iraq, which had been controlled by the previous regime. In the other 15 governorates, governors were appointed by the central government, and larger cities and towns had centrally appointed executive heads. All local government employees were employees of the central government.

An “executive council” also existed at the governorate level and in the larger towns and cities. This executive council consisted of service department heads, Ba’ath party appointees, and individuals appointed directly by Saddam Hussein (in Baghdad and a few other large cities). There was no counterpart to a representative council chosen by the population. Community groups did exist, performing a variety of social and party-approved functions, but they were strictly prohibited from any semblance of political activity, such as representing groups in front of local government.

Municipal services in most cities, including Baghdad, had seriously deteriorated before the regime was overthrown. Underinvestment in operation and maintenance, lack of spare parts, and little new construction of urban infrastructure in more than 15 years had led to collapsing systems. In addition, following the U.S.-led war in March 2003, considerable damage to infrastructure and loss of property occurred as a result of widespread looting and sabotage.

Within this context, LGP began working in Iraq to address the insufficiency of services, the lack of any degree of local control over public services and local political institutions, and citizens’ and civil organizations’ lack of experience in holding government accountable.

¹ RTI International is a trade name of Research Triangle Institute.

² Permissive means that Coalition Forces determined that security conditions were calm enough to allow civilian activities.

³ Denotes the no-fly-zone boundary separating the Kurdish autonomous region from the rest of Iraq before the war.

Focus and Goals of LGP

LGP was designed to address many of these circumstances afflicting Iraqi society. Its focus in the Base Year was mainly on

- Restoring basic services
- Increasing the efficiency and effectiveness of Iraqi local government institutions that provide basic services
- Helping develop a system of local government, including new political institutions that are representative, responsive, and transparent in their behavior and are accountable to the local population
- Helping civil society organizations (CSOs) become advocates for local government performance, find a voice, and begin to influence the emerging political system.

The overall goal of Base Year activities was to help establish a local government structure that would serve citizens well, that citizens would value, and within which citizens would play a role.

Implementation Strategy

At the beginning of the Base Year (March 26, 2003), it was not possible physically or programmatically to start with a full complement of staff. None of Iraq was permissive on March 26 and, in fact, most of the country remained off limits until the end of June. The Sunni Triangle governorates were off limits until September/October of 2003.

In mid-April 2003 LGP established a program office in Kuwait to enable interaction with USAID, which also was based in Kuwait. LGP drafted an implementation plan, presented the plan to USAID, and began aggressively recruiting staff with expertise in city management, utilities, public administration, public finance, and civil society development. As these staff arrived in Kuwait, they were orientated to the security situation in Iraq and to LGP's scope of work and project strategy.

At the same time, as early as May 2003, LGP devised the regional hub concept of operation. Staff in the hub offices⁴ were to support the governorates in that region and eventually establish a residence as the governorates became permissive. In late April LGP had begun work in Baghdad, and by mid-May it deployed a small team in Al Basrah and Al Hillah. By the end of May another small team was fielded in Arbil.

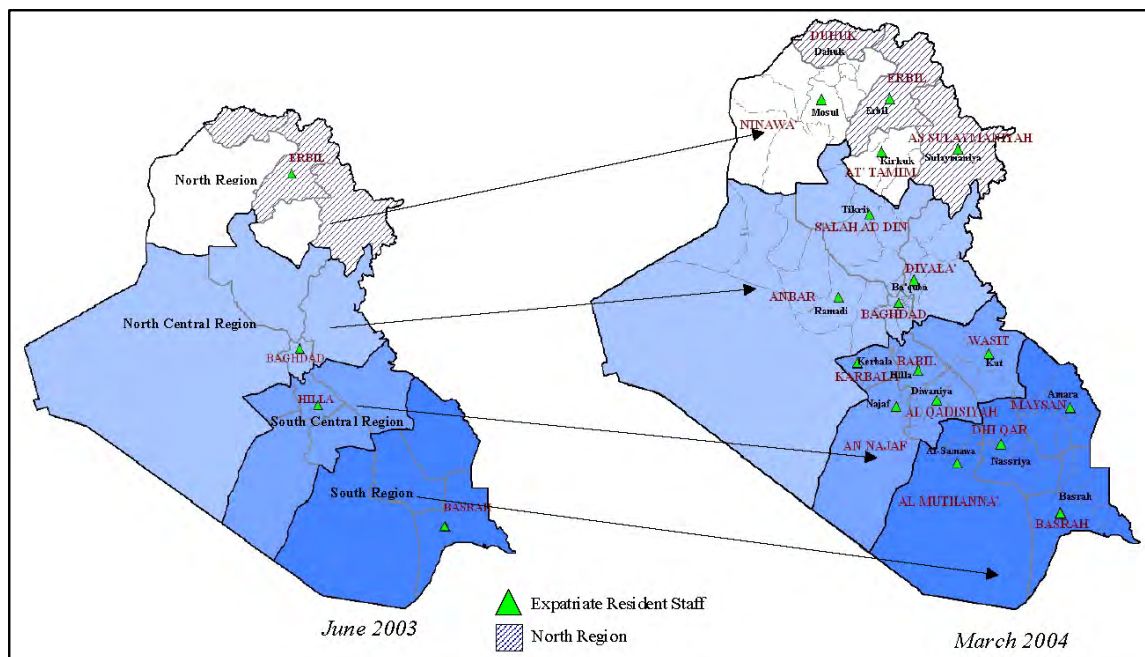
In the initial months, LGP teams worked very closely with the Coalition Forces' civil affairs government support teams (GSTs) and were supported by the Coalition Forces and the CPA until they were able to establish their own residences. From the hub offices the LGP teams made numerous visits to the capital cities of the governorates in each region, meeting with GSTs and local government officials to introduce themselves and LGP activities, to assess immediate needs of the governorate, and to determine where their assistance might make the most impact.

In June 2003, the deployment master plan was tentatively laid out, anticipating an expatriate staff of approximately 100 people by September 1. In August 2003, Ambassador Bremer, through USAID, mandated a stepped up preparation and deployment schedule, including milestones for deployment at the end of September and October—ultimately reaching 200 by the end of November. In addition, RTI's proposed methodology for achieving the target level of effort (LOE) for the contract was approved in an amendment to the USAID contract. This amendment specified a mix of expatriate—U.S. personnel and third-country nationals (TCNs)—and senior professional cooperating country national (CCN) staff.

⁴ The Al Basrah regional hub office serves Al Basrah, Dhi-Qar, Al Muthanná, and Maysan; the Al Hillah regional hub office serves Babil, An Najaf, Al Qadisiyah, Karbala', and Wasit; the Baghdad regional office serves Baghdad, Diyálá, Al Anbar, and Salah Ad Din; and the Arbil regional hub office serves Ninawá, At Ta'im, Arbil, and As Sulaymaniyah.

LGP exceeded the target of 200 expatriate staff in December 2003 and continued to increase in January and February 2004. As of March 1, 2004, LGP had on the ground in Iraq approximately 230 expatriate staff and approximately 1,900 Iraqi staff working out of four regional and 17 governorate offices (see Figure 1). About 200 Iraqi staff members were classified as senior professional/technical (social scientist, IT specialist, etc.), and approximately 400 Iraqi staff were junior/mid-level professionals. The largest single classification of Iraqi staff was security guards. In February 2004, LGP hired dedicated Iraqi staff for the Civic Dialogue Program (CDP) through June 2004. Approximately 550 Iraqis were recruited, trained, and hired to effectuate CDP/democracy dialogue activities.

Figure 1. LGP Resident Expatriate Staff Deployment



SO 4.1: Iraqi Citizens Benefit from Improved Local Governance

Overview

In the Base Year (Year 1), LGP operated in a set of conditions established by decades of repressive rule that isolated the population in many ways from the rest of the world and set neighbor against neighbor, tribe against tribe, ethnic group against ethnic group, and religious group against religious group. Subnational governance in the immediate pre-conflict period was defined by two features:

- A highly centralized system in which all decisions were made by central-level ministries and carried out by ministry personnel at the governorate level.
- Total control over all aspects of civic life, and many aspects of personal life, by the Ba'ath Party structure. The Ba'ath Party determined appointments to governmental positions and at the same time ran a parallel, secret structure that used the institution of the *mukhtar* (in Ottoman terms, an individual appointed by the government who collected taxes and enforced the law in communities under his domain) as spies in urban and rural neighborhoods.

The system was so centralized that Iraqis who tried to restore some semblance of public services at the local level were unable to undertake simple acts without written authorization from Baghdad. Because society was deliberately fragmented, reconstruction efforts at the local level were hampered by difficulties persuading individuals from different backgrounds (ethnic, religious, cultural, tribal) to meet in the same room to discuss solutions to problems. The party structure used patronage to reward or punish, but according to many Iraqis with whom LGP staff have worked, the patronage seldom occurred in a detectable pattern, so that one never knew where one stood with the political authorities.

Within this context, LGP assumed responsibility for

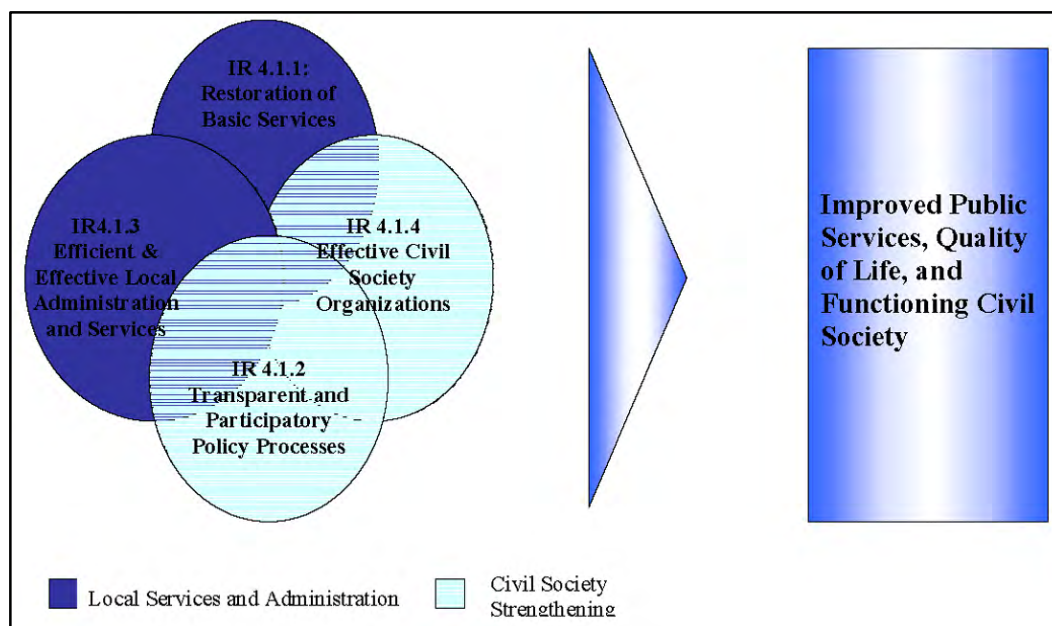
- Improving the ability of subnational governmental institutions to deliver services to the population and
- Forming or strengthening community-based organizations to hold local government accountable for its performance and actions.

That is, LGP was to form the basis for a civil society rooted in interaction between citizens and local government. In so doing, the LGP team, working closely with civilian and military personnel under the CPA umbrella, had to overcome extreme service deficiencies wrought by neglect, as well as attitudes and beliefs formed over decades in which Iraqis learned to fear and distrust not only authority but each other.

Strategy

As shown in Figure 2, the project began with a broad vision for local government and civil society. Its primary focus was to procure and provide technical assistance and other resources to strengthen local governments, civic institutions, and processes in order to establish, develop, and strengthen participatory democracy and deliver the effective and efficient service Iraqis expect from their local governments. Activities were designed to respond to specific challenges faced by subnational governments, democratic institutions and processes, and civil society organizations (CSOs). Activities also aimed to empower individuals and civic groups to help set local economic development and investment priorities through democratic participation and interactions with local government leaders.

Figure 2. LGP Year 1 Program Strategy



More specifically, LGP activities were designed to do the following:

- Set the stage for successful local governance by helping Coalition Forces identify, select, or elect local leaders (when requested) and by advising and mentoring these newly elected leaders to become effective civil servants.
- Interactively assess and prioritize the needs of local governments, institutions, and CSOs and provide technical assistance, advice, training, and rapid-response grants to build technical, managerial, and problem-solving capacity.
- Restore basic services.
- Reinforce stability and sustainability of service delivery by strengthening local administrations' ability to effectively, efficiently, and sustainably deliver essential daily services and manage resources, services, and staff, while simultaneously increasing citizen participation in local policy making.
- Strengthen the ability of individuals and CSOs to participate in local processes, with emphasis on enhancing the role of women, youth, and previously excluded groups.

The overall objective of LGP in the short run is to facilitate the restoration of basic service in order to improve living conditions for Iraqis. In the long run, the objective is to lay the foundation for peace, freedom, and prosperity and to establish a subnational governmental structure that provides tangible benefits to citizens.

Overall Accomplishments

As noted above, LGP was the first USAID contract along with OTI/DAI on the ground in Iraq. Project staff worked side by side with GSTs to restore essential services and build a participatory local decision-making process. A quality-of-life (QOL) survey⁵ administered by LGP in September/October 2003 indicates that access to basic services has improved significantly, although service quality remained insufficient. For example,

- According to respondents, average daily availability of water is one hour above prewar levels, and average daily availability of electricity is more than three hours above prewar levels.

⁵ The QOL survey covered all 18 governorates, with a sample size of 7,500.

- Service quality also generally exceeds prewar levels, indicating the completion of LGP's transition from addressing emergency needs to improving the effectiveness, efficiency, and quality of services.
- Respondents viewed most public services as having improved since the end of the war, but said that overall they remained worse than before the war.
- Respondents indicated that access to places of worship and public transport had improved.
- Electricity, employment rates, housing availability, and social welfare services seemed to have deteriorated in the view of most respondents.

Coalition Forces and the CPA have established provincial councils and governors in all governorates, with the exception of the three Kurdish governorates of Arbil, Dahuk, and As Sulaymaniyah in northern Iraq. LGP has also assisted in the establishment of district, subdistrict, and neighborhood advisory councils. Results of the QOL survey indicate that 42% of respondents knew of neighborhood councils, 40% were aware of district councils, 48% were aware of subdistrict councils, and 60% knew about the governorate councils.

Traditional tribal and religious structures retained a large amount of legitimacy in the eyes of survey respondents, whereas CPA-created formal structures were viewed with some suspicion or were not seen as effective. In addition, except for the Kurdish region, between 58% (South⁶) and 78% (non-Kurd North region⁷) did not feel that the councils were representative of the population. In addition, between 47% (non-Kurd North region) and 77% (Central region⁸) did not think that the councils conveyed Iraqi opinion.

A high level of mistrust of local councils was exhibited. For example, between 54% (South) and 72.3% (Central) said the local councils were not trustworthy. However, assessments of the councils' effectiveness in resolving local problems was mixed: 53.4% (South) and 55.9 % (non-Kurd North) of respondents said the councils were effective in solving local problems. On the other hand, only 34.9% (South Central region⁹) and 30.3% (Central) said the councils were effective in resolving local problems. With regard to establishing local councils, 77.1% of respondents indicated that it was an important priority. These results guided the intensity of LGP's council development activities.

In addition, 73.8% of the respondents also indicated that the country was ready for local elections and 69.2% indicated that the country was ready for national elections.

⁶ South region includes Al Basrah, Maysan, Muthanná, and Dhi Qar governorates.

⁷ The non-Kurd North region includes Ninawá and Ta'im governorates.

⁸ Central region includes Baghdad, Al Anbar, Diyálá, Salah Ad Din governorates.

⁹ South Central region includes Babil, Karbala', An Najaf, Al Qadisiyah, and Wasit governorates.

Impact of Accomplishments

LGP project accomplishments have significantly improved the quality of life of millions of Iraqis. For example,

- Restoration of essential services such as water, electricity, sanitation, health, and education has provided immediate relief and improved the daily lives of Iraqis.
- The rehabilitation of government buildings where provincial, city, and district councils meet and work has enabled these councils to respond to citizens' complaints effectively and to address their priority needs.
- The process of creating three to five levels of advisory councils (i.e., provincial, city, district, subdistrict, and neighborhood and village advisory councils) has played a significant role in planting the seeds of representative democratic governance.

For the first time in 35 years, Baghdad will enjoy the benefits of a representative system of local governance that encourages citizen involvement. The entire population of Baghdad (approximately 5.6 million) will benefit from the new structure, which is designed to be more accountable and responsive to their needs.

However, LGP's success in promoting democracy has also made it a target of insurgents. In many places, insurgents have attempted to associate LGP staff with Israeli agents, afraid that LGP will succeed in establishing a secular, democratic, and open society in Iraq.

Sustainability of Effort

Sustainability of LGP activities is ensured by

- Working with local universities and building their capacity to deliver technical assistance, research, and training services to subnational governmental institutions
- Recruiting, hiring, and training Iraqi professional staff to deliver LGP technical assistance and training to subnational governmental institutions
- Training a cadre of trainers-of-trainers selected from subnational governmental institutions to spread the knowledge and skills transferred to them by LGP.

For example, as early as June LGP began working with local universities in Babil and Al Basrah. In June 2003, a professor of accounting and finance attached to Babil University developed a four-week series of workshops on budgeting and municipal finance and arranged with university officials to conduct these workshops on campus. In Ninawá, Al Mawsil University has been engaged to provide research and technical assistance to the Directorate of Municipalities and Public Works, Directorate of Water, Sanitation, and Environment. In addition, with LGP support Al Mawsil University has developed a series of short courses for enhancing skills of the local civil servants.

In another example, the Arbil Local Governance Team (LGT) is working with Salahaddin University to provide training and technical assistance to the staffs of the Kurdistan Regional Government (KRG). In Salah Ad Din, LGP is collaborating with the Coalition Forces GST, USAID's Office of Transition Initiatives (OTI), and the CPA to establish an Institute of Local Government at Tikrit University. This activity is planned for completion in Year 2.

In addition, LGP is aggressively but carefully recruiting, hiring, and training Iraqi professionals to carry out elements of its work activities. By March 31, 2004, LGP had 350 senior Iraqi professionals on its program staff. Recent events attest to the fact that this has been accomplished successfully: when LGP temporarily relocated international program staff from across the country to safe havens, project activities were carried out by the Iraqi professional staff who remained.

Program Adjustment and Plans for Option Year 1 (Year 2)

Much remains to be accomplished in the overall Iraq reconstruction program. One critical element is to solidify the gains LGP has made during the Base Year in establishing a system of subnational

government. This system has a vital role to play in stabilizing Iraqi society and in ensuring that as the country transitions to a sovereign national government, it will not devolve into a highly centralized system that opens the door to the return of an autocracy.

In Year 2 at the subnational level, LGP activities will focus mainly on local government institutions (governors, mayors, councils, and service-providing departments) and their accountability and relationship to citizens. At the national level, LGP will assist in the development of a legal, constitutional, and policy framework that recognizes an important, autonomous role for subnational government. This framework will build on the historic Transitional Administrative Law (TAL) signed on March 8, 2004, which identifies governorates, cities, districts, and neighborhoods as governmental entities. The framework will also build on the Local Government Powers Order (LGPO), which outlines broadly the powers assigned to local government over the transitional period until a permanent Iraqi government is installed.

LGP's strategy in Year 2 will be to solidify and extend the autonomous role of subnational governmental institutions to prevent or at least discourage a recentralization of power in the hands of central ministries and other central executive and legislative bodies. This strategy is designed both to promote a more democratic society that governs closer to the people and to improve service provision at the local level. Good governance at the subnational level is critical to preserving hard-won progress toward a more democratic and stable Iraq and to realizing a sustained and dynamic democratic society over the long term.

For Year 2, LGP is designed to foster a subnational government system that

- Is functional, effective, and efficient
- Is democratic, participatory, transparent and accountable
- Plays a fundamental role in a sovereign Iraq.

LGP will assist in improving service delivery and financial management and will help develop institutions and behaviors that ensure local government officials—executive, legislative, or technical service providers—are oriented to the customer and act as representatives of and as accountable to local citizens.

IR 4.1.1: Increased Access to Basic Services

Overview

Although Coalition Forces avoided causing significant war damage to Iraq's public infrastructure, at the end of the war many Iraqi citizens lacked access to basic public services—including water, sewer, solid waste management, and electricity. Iraq's public service infrastructure was completely dilapidated and degraded by five decades of economic mismanagement by government and by a lack of investment and maintenance. Other factors contributed to the poor state of basic public services, including

- The seven-year Iran-Iraq war
- The earlier U.S.-led war
- Ten years of economic embargo
- Sabotage and looting that followed the occupation of Iraq by the U.S.-led Coalition Forces and the fall of Saddam Hussein's regime.

At war's end, one priority of the U.S. and the CPA was to quickly restore disrupted services in order to reduce human suffering. Except for GSTs, no other USAID or CPA contracts were in place to address these essential services delivery problems, and GSTs were overstretched and had limited resources. LGP and OTI (along with Development Alternatives, Inc. [DAI]) were the only USAID contracts on the ground from April through August of 2003 that were actively restoring access to basic services. OTI/DAI and LGP have collaborated in many places in the restoration and furnishing of public buildings.

LGP work activities included both short-term and a long-term components. Short-term activities included extensive use of LGP grant funds for rapid-response or urgent service delivery issues. For example, a grant of just over \$100,000 enabled the Directorate of Electricity in Al Basrah to purchase spare parts, tools, and other materials necessary for repairing the electrical system, helping reduce power outages by 75%.¹⁰ Similarly, a \$900 grant to the Directorate of Electricity in Kirkuk funded radio communications equipment for monitoring and preventing the sabotage of electric power distribution lines, ensuring uninterrupted electric power for more than 2.5 million residents of Kirkuk and Al Mawsil.

Long-term LGP activities focus on rehabilitating processes to build capacity in the various directorates responsible for service delivery. In addition, LGP played a catalytic role in helping subnational governmental entities access technical assistance and resources from other U.S. government contracts, nongovernmental organizations (NGOs), and multilateral organizations. For example, in July 2003 LGP introduced the private, nonprofit economic development organization ACDI/VOCA to the small community of Laylan outside Kirkuk; ACDI/VOCA then provided assistance for a water project.

Accomplishments

LGP does not have the scope and resources to engage in large-scale infrastructure projects. However, through technical assistance from international public utility and city management experts and the judicious use of a small-grants program to procure repair tools, monitoring instruments, spare parts, and initial operating supplies, LGP has had an impact on services throughout Iraq. Across the country where LGP has been active, Iraqis have benefited from such service delivery improvements as

- Improved water quality
- Longer hours during which water is delivered daily

¹⁰ Repair work reduced the number and duration of power outages caused by various equipment and facility failures, but did not increase the amount of electric power generated.

- Increased daily operating hours for electricity services
- Improved garbage collection and disposal
- Improved storm water drainage
- Increased operating efficiency of sewage treatment plants
- Rehabilitated city office buildings and community centers
- Rehabilitated schools and public health clinics.

As a result of LGP, millions of Iraqis have access to water, sanitation, electricity, education, and health services. Figure 3 illustrates the magnitude of this impact, indicating the numbers of Iraqis who have directly and indirectly benefited from LGP's combined grant and technical assistance activities.

Figure 3. Number of Beneficiaries by Selected Sectors

Sector	September 2003	Beneficiaries	
		March 2004	% Increase
Education	291,507	993,114	240.7%
Electricity	3,340,000	8,129,240	143.4%
Fire Safety	1,200,000	1,200,000	0.0%
Health	5,378,370	9,885,912	83.8%
Sanitation and Sewerage	3,418,000	16,110,640	371.3%
Water	3,800,000	8,001,966	110.6%
Number of Grants	110	211	91.8%
Amount of Grants	\$6,330,000	\$16,450,000	159.9%

Across all governorates where LGTs are deployed, more than 23 million people are now accessing one or more restored services. In Al Basrah, for example, availability and access to electricity exceeds prewar levels, thanks in part to LGP grants for repair parts and tools. In Kirkuk and Al Mawsil, electric power, water, and garbage collection exceed prewar levels.

As of March 31, 2004, LGP has awarded and implemented 211 rapid-response grants worth \$16.5 million to increase access to basic services and enable Iraqi citizens to participate in local governance processes.

Impact of Accomplishments

Water Services

LGP's activities directed at restoring essential services have improved the quality of life for millions of Iraqis. For example,

- LGP provided rapid-response grants and technical assistance to the Al Basrah city government, helping restore water services and offering immediate relief to an estimated 1.6 million people. Improving the pumping capacity of the city's water intake plant, which also feeds the water treatment plants of southern cities such as Umm Qasr, benefited an additional 150,000 people. Within just two weeks of LGP-supported repairs of the pumps, pressure in the water lines improved, enabling more people to receive water. Repairs of chlorinators and filters also improved the quality of water.
- In An Najaf, LGP grants and assistance helped the city government clear clogged water intake systems and repair ruptured water mains, directly benefitting 200,000 people.

Electricity

LGP assistance has helped restore electric power to numerous households and factories. For example, as a result of LGP rapid-response grants and technical assistance, access to electricity is above prewar levels in many areas in Al Basrah. This assistance covered all of Al Basrah governorate, including 14 power substations where the 132 kv transmission lines are stepped down to distribution lines of 0.4, 11, and 33 kv . LGP supported a number of specific efforts in Al Basrah, including

- Repair of substations and purchase of test equipment, protective gear for electric workers, tools, and supplies.
- Collaboration with the British military to repair electric towers and high-tension lines that had been toppled by looters and saboteurs. As a result, electricity was restored to approximately 4 million people in the region—including Dhi Qar, Al Muthanná, and Maysan—and power was retored to the region's petroleum refineries.
- Installation and replacement of power transformers, inhibitors, and circuit breakers throughout Al Basrah's city center and main commercial zone.
- Replacement of light fixtures and bulbs the city's main streets.
- Repair of power distribution towers and lines that had been cut or damaged, disrupting power in specific neighborhoods, including al-Jummoriah, al-Khadra, al-Dar, al-Qaam, al-Rashid, al-Abbass, al-Maamal, al-Jubeilah, and al-Muhandesen quarters.

As a result of restoration of reliable electric services and street lighting, Al Basrah's business district has revived and business and economic activities have expanded significantly beyond prewar levels. Stores and restaurants are now open for extended hours in the evening.

Additional examples of LGP's significant impacts on the delivery of electricity include the following:

- In Ad Diwaniyah (Al Qadisiyah governorate) LGP helped repair bullet holes in the primary transformer, helped repair electrical distribution lines, provided protective equipment for electrical workers, and provided fencing and air conditioning units for the Electric Power Directorate—all of which helped restore electricity to more than half a million people.
- In Karbala' a grant of \$5,000 helped restore access to electric power to 540 homes (3,240 people).
- In Al Hillah three grants totaling \$11,500 for the renovation and repair of power lines, substations, damaged transformers, personal protective gear, and test equipment helped restore electric power to approximately 500,000 people.
- A modest grant of \$900 to the Kirkuk Electric Generation Company funded communications equipment to help prevent further looting and sabotage of electric company assets. As a result, electric services are more dependable not only in the Kirkuk region but also as far as Al Mawsil.

Health Care

LGP assistance has been critical to the restoration of primary health care services in most parts of the country. For example,

- In July 2003 restoration of the Al-Ma`qil clinic and its adjoining regional support center (which serves 12 primary care centers in the city of Al Basrah) provided immediate access to medical assistance to 50,000 of the city's inhabitants.
- In Karbala', refrigerators were provided to al-Hindiyyah Hospital for storing blood and to a laboratory for storing chemicals, culture kits, and test kits.

- Assistance to the al-Husain General Hospital and al-Hindiyyah Hospital in Karbala', as well as to the Pediatric Hospital and the Public Health Department in Al Hillah, enabled the computerization and tracking of patient records, providing better access to health care for more than 25,000 patients.
- In Al Basrah, approximately 75,000 people now have access to proper medical care as a result of reconstruction, refurbishment, and rehabilitation work on the Al Qadisiyah and al-Resala primary health care clinics. Additionally, the refurbishment of the al-Tib al-Adle Forensic Medical Clinic, which provides end-care forensic medical services and is the only clinic in Al Basrah governorate performing autopsy services, will benefit 1.5 million residents in the region.
- LGP supported the repair of three walk-in refrigerators at a warehouse in Al Qadisiyah that distributes medicines and medical supplies to two referral hospitals, three secondary hospitals, and more than 20 primary health care clinics. As a result, more than 425,000 Al Qadisiyah residents now have access to effective drugs and proper medical treatment.
- In An Najaf, rehabilitation and repair of more than 20 primary health care clinics, degraded from decades of neglect and post-war looting, improved access to primary health care for more than 500,000 residents.
- In At Ta'im, access to public health services has improved for more than 1.5 million citizens through the purchase and installation of 152 refrigeration units in hospitals and health centers throughout the governorate. Because of the added refrigeration capacity, the Directorate of Health now qualifies for a governorate-wide vaccination program—sponsored by the United Nations Children's Fund (UNICEF) and the World Health Organization (WHO)—geared towards children and women of child-bearing age. Through this program 1,270,000 doses of various vaccines will be administered to 165,000 children under the age of five and 185,000 women of child-bearing age. As an added benefit, the refrigerators also enable safer storage of agents, lab samples, and blood.



A baby is vaccinated against polio in the Tiseen Health Care Center in Kirkuk (December 9, 2003)

Sanitation

LGP's assistance to the sanitation sector has brought immediate relief to millions of Iraqis across the country. For example, in the Al Basrah governorate, rehabilitation of the sewerage system is benefiting approximately 1.5 million people in the governorate. Rehabilitation work includes repair of network and pumping stations, sewer cleaning, and procurement of safety equipment for gas instrumentation and air blowing, including personal gas masks and protective clothing, gloves, and boots. It also included the repair of 150 damaged sewage pumping stations and repair of all government-owned vehicles for jetting and pumping sewerage. The LGT facilitated the restoration of city sewage services by working with neighborhood council leaders and Sewage Authority officials. The Director General and his deputy director visited the neighborhoods serviced to discuss the status of sewerage service with neighborhood council leaders, to show they are responsive to citizens' needs.

In Al Muthanná, a small grant in the amount of \$1,540 to repair the Khuder City sewage connection to the municipal offices resulted in a better working environment for municipal employees who are working to provide these same essential services to approximately 100,000 residents in their municipalities. In Dhi Qar, LGP technical assistance and rapid-response grants for repair, maintenance, and cleaning of the sewerage system has brought relief to approximately 390,000 people. LGP assistance to the Dhi Qar Directorate of Sanitation included reclaiming low-lying sewage pools by filling in areas that were overflowing with sewage and had become a breeding ground for water-borne disease.

Reducing Sewerage Flooding and Solid Waste Problems and Lowering Public Health Threats Across Iraq

The al-Shudada and Arido housing settlements of Nasiriyah are home to about 14,700, and 13,650 people, respectively, 75% of whom are women and children. In both communities the molded-dirt street drain channels were clogged and broken as a result of damage from passing traffic, inadequate garbage collection, and poor design. The condition and the slope of street drains caused sewage to flood low-lying areas originally intended to be open spaces for the community. These flooded areas were health hazards from standing fetid water, which also contaminated nearby sources of drinking water. LGP rapid-response grants and technical assistance improved the sewerage drainage and reduced exposure to water-borne diseases.

In Ninawá, LGT's technical assistance and rapid-response grant to the Al Mawsil Directorate of Municipalities helped to restore garbage collection service to more than 70% of residents by initiating privatization of garbage collection. During the war, garbage trucks were stolen or stripped for spare parts by looters. Given the tremendous expense of replacing those vehicles, the LGT proposed the concept of privatization, explaining the potential benefits. As a result, the Director General selected a representative area of the city where responsibility for waste collection would be turned over to a private operator through a competitive bid process.

The Ninawá LGT also successfully completed a sewer design project for the City of Al Mawsil, with the help of the Al Mawsil Engineering Union. An initial assessment indicated that sewerage services were largely unavailable. Al Mawsil lacks a fully integrated sewer system to serve the present needs of the city; the existing aged system consisted of some common sewers and storm drainage. Many residents have septic tanks and, rather than pay for septic tank pumping, they have made illegal connections to nearby storm drains. The existing storm drains and sewers are insufficient to carry the loads, especially during the rainy season. As a result, during the winter months when rainfall is high, foul flooding occurs in many areas in the city. Some residential areas flood with sewage, causing a significant public health hazard. In order to mitigate this problem, the Ninawá Sewer Directorate is working on refurbishing and extending the existing storm drain and sewer system. To support this effort, the LGT coordinated with Bechtel National, Inc., which funded the material and equipment required. Seven main areas in the city were selected for new sewer mains, and LGP assisted with the design. As a result, the Ninawá Sewer Directorate will receive equipment and material worth over \$2,500,000 from Bechtel to upgrade its sewer network. Completion of the project will bring relief to approximately 200,000 residents in Al Mawsil.

In Kirkuk, the LGT coordinated with Coalition Forces to remove wrecked military vehicles that were both unsightly and dangerous from the city streets to a scrap depot.

In Al Qadisiyah, the LGT helped to resolve a major sewerage flooding problem in the Agra'a tribal area. Waste water from the local sewer treatment plant was discharging into a surface canal outside the city, contaminating rivers that constituted the only source of drinking and irrigation water for five villages.

In Amanat Baghdad, the LGT helped installing a pipe system for sewage in the Kamaliya neighborhood in



Waste water flooded a canal that led to the sole source of drinking water for five villages in Al Qadisiyah.

the 9-Nisan District of Baghdad. This initial pilot project, which will benefit more than 2,000 people, represents the first stage of efforts to replace open sewage ditches in the unserved areas of Baghdad. Working with the CPA, the LGT also identified the scope and costs for other sewage projects to be funded by the CPA. A total of approximately \$8 million in projects were submitted and approved for inclusion. Design for the new systems had previously been completed by the Baghdad Sewerage Authority (BSA). Areas affected include Al Sewabe (population 16,000), Al Obaidi (population 30,000), and Kamaliya (population 60,000). The installation of 725 meters of sewage pipe replacing an open-ditch sewage system provided immediate improvement of environmental health to area residents.

Sustainability of Effort

LGP provides assistance for the restoration of essential services through local service delivery departments, and the affected population provides security for installed assets. By providing equipment and accompanying training, LGP is building local capacity for inspecting and maintaining water systems, electricity distribution lines, and sewage drainage lines.

Students, teachers, and administrative staffs at rehabilitated schools have accepted responsibility for securing and maintaining rehabilitated facilities.

Program Adjustment and Plans for Option Year 1 (Year 2)

According to the QOL survey, access to basic services has improved across Iraq but remained insufficient at the end of 2003. For example, the average daily availability of water is one hour above prewar levels, and the average daily availability of electricity is more than three hours above prewar levels. Service quality is also generally above prewar levels, indicating the completion of the transition from addressing emergency needs to improving effectiveness, efficiency, and the quality of services.

In Year 2, LGP will focus and concentrate resources on enhancing and deepening the effectiveness and efficiency of local service delivery through focused technical assistance, training, and small grants to subnational government service delivery departments.

IR 4.1.2: More Transparent and Participatory Local Governance Processes

Overview

Iraqis have not practiced participatory democracy or policy making for over a century. The level of services was determined by the central government, independent of citizens' needs and priorities. Recipients of government services and largesse were administratively determined. Rewards were issued to segments of society that government authorities wanted to appease or use as a power base—although as noted earlier, even these rewards were often inconsistent and unpredictable. Communities that opposed or criticized government policies or leaders were punished. Successive governments did not have well-thought-out economic and social development plans that involved citizen input or recognize their priorities. Development plans were based on what the leadership decided was best for the country. Participation was limited to the inner circles of the monarchy or the president and decisions were made for the purpose of strengthening and maintaining the rule of the person at the head of the government.

Under Saddam Hussein's regime, only through the Ba'ath Party were citizens represented or allowed to participate in the political process to select leaders, express preferences on local government priorities, and hold local governments accountable—i.e., there was no participation except for a narrowly controlled elite group. No genuine mechanism existed by which citizens could disagree with the priorities or actions of local governments, select local leaders, or hold local officials responsible for their performance. Collective disagreement often brought severe repressive government action, or neglect and disruption of public services altogether, as in Al Basrah and the Kurdish regions.

LGP's technical assistance and other resources in Year 1 were directed at establishing and strengthening local governance bodies—such as city, district, subdistrict, neighborhood, and municipal councils—as well as governorate representatives and legislatures that oversee public entities responsible for ensuring public safety, providing services, and enforcing contracts and the rule of law. Through IR 4.1.2 and IR 4.1.4, LGP sought to ensure that political, social, and economic priorities are based on broad consensus and that the voices of all segments of Iraqi society—including previously excluded groups—are heard. LGP work activities under IR 4.1.2 focused mainly on the local government institution itself, although it interacts with IR 4.1.4, which focused on community groups and NGOs at the local level.



Neighborhood elections/selections in Al Bakarly Quarter, Al Hillah

Transparent and participatory policy making and governance processes have two main dimensions:

- ♦ Local governments that keep the public well informed about government activities and performance
- ♦ Institutional processes and structures that enable citizens to become aware of, influence, and ultimately hold local government accountable for its performance.

LGP work activities under IR 4.1.2 focused on training local government officials in processes such as holding public hearings, holding open “town hall” meetings, and publishing information through local media about local government. It also focused on enhancing leadership skills and raising awareness of participatory democratic decision making.

In Year 1, LGP also focused on establishing district, subdistrict, and neighborhood advisory councils. LGP rapid-response grants were made available on a case-by-case basis to these groups, which had no

counterpart in the previous regime, for such things as furnishing meeting halls or purchasing office equipment and supplies in order for the councils to function. For example, in Kirkuk LGP collaborated with OTI and the International Organization for Migration (IOM) and with OTI/DAI in rehabilitating and furnishing the Kirkuk government building so that selected or elected mayors and city council members could have a decent working and meeting space to meet the needs of Iraqis living in Kirkuk.

Accomplishments

Forming Local Governing Councils

In Year 1, LGP worked with representative councils at several levels: governorate, city, district (*qadha*), subdistrict (*nahya*), neighborhood (*hayy*), and tribal councils. LGP provided technical assistance, training, and mentoring and refurbished facilities and provided office equipment and tools, directly and through collaboration with USAID/OTI and other contractors, to enable councils to work and interact effectively with citizens. By March 25, LGP had facilitated the formation/re-selection of 445 neighborhood, 194 subdistrict, 90 district, and 15 governorate councils.

To date, LGP has trained more than 9,000 council members, of whom approximately 5 percent are female, on their roles and responsibilities. The training provided to these councils included a variety of topics, such as

- ♦ Council business, including meetings and procedures
- ♦ Roles of city council and manager
- ♦ Parliamentary procedures and minutes
- ♦ Rule of law
- ♦ Performance measurement
- ♦ What to do about corruption
- ♦ Project prioritization and preparation
- ♦ Financial management and transparency issues, including operating and capital budgets, and accounting basics.

Council Formation in Baghdad Demonstrates Democratic Political Process Not Practiced in Iraq in Over Half a Century

In Baghdad, working with Coalition Forces civil affairs personnel and CPA staff, LGP formed 88 neighborhood councils using a form of town meeting in which citizens were invited to two or three neighborhood meetings. At the second or third meeting, individuals wishing to serve on a neighborhood council nominated themselves, made brief “campaign” speeches, and then were elected by those present by way of secret ballot. Neighborhood councils selected representatives to serve on a district council, and the nine district councils selected representatives to the city council. By July 2003 the full range of neighborhood, district, and city councils in Baghdad had been formed.

LGP later expanded the effort to include a provincial council; councils were formed in outlying small towns and then selected representatives to the provincial council. A total of 127 councils have been formed and are functioning today.

Across the south central regions, LGP expanded citizen participation in the democratic process using a two-phased process. In phase one, LGP Iraqi community facilitators assemble a group of citizens (~150–300) from each hayy and bring them together at a workshop facilitated by LGP staff. Workshop participants received an orientation to the purpose and potential of neighborhood advisory councils, discussed their respective neighborhood problems and priorities, and identified and introduced potential candidates to represent them on the neighborhood advisory councils. Finally, participants caucused and selected council members from the nominees. In phase two, elected members of the neighborhood advisory council were trained on how to become effective advocates for their neighborhoods.

These councils were also provided working space to meet individually with citizens and constituency groups, prepare for council meetings, and attend committee meetings, thus enhancing their effectiveness as leaders.

Involving Tribal Leaders in Local Political Processes

LGP has also worked with tribal councils and provided training workshops to inculcate democratic principles and practices among tribal leaders. During October 2003, for example, the Babil LGT conducted four workshops for the Babil Tribal Democracy Assembly. These workshops included discussions on democracy, good governance, and participation; the role of tribal leadership; and constitutional electoral politics and processes.

Tribal leadership is an important part of civil society in Iraq. In addition to forming district and neighborhood councils, LGTs have also begun involving tribal leaders in local political processes. For example, in Al Hillah, the LGT presented a series of interactive lectures to some 150 tribal leaders from the south central area of Iraq, covering six governorates and representing nearly 40% (10 million) Iraqis outside of Baghdad. These lectures were designed to promote and inculcate representative and democratic decision making, covering the following key topics:

- ♦ Tribalism and democracy: How tribal leaders can participate in a democratic Iraq
- ♦ Islam and democracy: How the Islamic religion is compatible with democracy and how Muslims can work together for a free and democratic Iraq
- ♦ Tribalism and free elections: How do tribal leaders organize their own election campaign to become a member of the National Parliament
- ♦ Tribalism and human rights: How do tribal leaders strengthen government institutions in a way that will ensure that human rights are protected in Iraq.

Beginning in January 2004, in collaboration with OTI and CPA, LGP initiated a Civic Dialogue Program (CDP) to engage Iraqis in the political process. The aim of the CDP is to promote the fundamental principles of democracy, human rights, tolerance, and the rule of law at both the institution level and among the Iraqi public. By the end of Year 1, more than 1,450 democracy dialogue events were conducted, involving approximately 100,000 people, of whom 10 percent were subnational government officials.

LGP has also supported efforts of universities and other institutions to hold conferences and engage citizens in the political process. For example, LGP provided technical assistance to Al Mawsil University's College of Law to organize symposia on constitution development and human rights. The first symposium, held on October 9, 2003, and open to the public, addressed the issue of what form of government Iraq should adopt. The second symposium, held on October 16, addressed the issue of human rights in a democracy.

Fostering Transparency and Accountability

In Year 1 LGP began the process of establishing, developing, and fostering transparency and accountability practices among councils and service delivery departments. Specifically, LGP has helped provincial councils establish finance and audit functions under the preview of the provincial governor or the councils. For example,

Democracy in Action Workshop Kirkuk, At Ta'im June 22, 2003

0830	Seating and Informal Greetings
0845	Opening Remarks
0900	Principles of Leadership in Representing a Constituency
1000	Robert's Rule of Order
1100	Break
1130	Negotiation and Basic Legislation
1230	Government Budgets
1330	Lunch
1430	Ethics and Avoiding Legal Problems
1530	A Successful Relationship with the Press
1630	Closing Remarks

- ♦ In Babil, the LGT recruited and hired a staff of local auditors to help the council conduct an external audit of the 54 departments in Al Hillah.
- ♦ In Kirkuk, the LGT provided technical assistance and a rapid-response grant for the establishment of a finance and audit office reporting to the Deputy Governor, Affairs.
- ♦ In Al Basrah, the LGT provided technical assistance and training to the Supreme Audit Bureau to conduct an objective and transparent audit of local service departments.
- ♦ In Al Muthanná and other governorates, LGP collaborated with the Supreme Audit Bureau to help establish and develop a professional internal auditing department. To this end, LGP trained service department managers and accountants on accounting, budgeting, and financial management and audit systems.



Al Muthanná service department managers and accountants attend an LGP training workshop in As Samawah.

These activities not only promote departmental accountability, but also strengthen council oversight. Good council oversight is fundamental to rooting democracy in Iraq. At its best, it helps councils and citizens evaluate how well subnational government institutions and their managers are performing. Oversight can ferret out malfeasance, compelling local policy-makers to explain their policies and substantiate the reasoning that underlies them. Done well, oversight prevents misconduct and corruption and gives citizens the information they need to judge the responsiveness of their local government.

Strengthening the Capacity for Outreach

LGTs all across the country also worked to strengthen outreach capacity of provincial councils, governors, mayors, and department heads. They supported use of different fora for increased citizen participation, including

- ♦ Open council meetings whereby the media can record, broadcast, and print council discussions, deliberations, and policy decisions
- ♦ Public civic education, whereby the provincial councils, governors, deputy governors, assistant governors, and members of the public can engage in discussion.

Themes for these fora included the importance of a constitution, the meaning of democracy, and different forms of government, including decentralization and federalism. LGP also provided technical assistance, training, and rapid-response grants to establish citizen complaints offices and desks within the offices of provincial councils, governors, and service departments.

Increasing Participation by Women

Throughout Year 1, LGP worked to increase women's participation in local policy making. In Baghdad, Babil, Karbala', Diyala', Al Qadisiyah, Wasit, An Najaf, Al Mawsil, Kirkuk, Al Muthanná, and elsewhere across the country women have joined provincial, qadha, nahiyah, and hayy councils. Before women present themselves for election into the councils, LGP trains them in how to present themselves in the council, how to articulate and share their vision of leadership, and how to make a difference to the community.

LGP also established the Iraqi Women in Local Governance Group (IWLGG) at LGP headquarters to focus on women's participation in Iraq's political processes.

As a result of this focused strategy, LGP teams all across Iraq successfully engaged women in civic dialogue and provided advice and training on how they might effectively influence public policy, assert their democratic rights, and play a role in a democratic Iraq. As a result, women successfully fought against the adoption of Decision 137, issued by the Interim Governing Council (IGC), which would have dissolved the existing Personal Status Law and replaced it with Islamic Law. According to this decision, Islamic Law would be applied to matters related to marriage, engagement, and all other issues related to women and family life, including inheritance.

LGP supported several conferences for women to voice their opinion and to lobby against the decision. For example, at conference in Baghdad facilitated by LGP an Iraqi female panelist, Bushra Abdullah, Esq., spoke of how gravely Decision 137 would affect women and increase the potential for religious fracture in society. A second female panelist, Fakhria Karum Abdullah, Esq., spoke of the foundations of a constitution, the basis of which should be equality among people—and a place for women to fight for their rights therein. She also illustrated that a constitution should be based on international law. A third panelist, Muha Bahjet, Esq., discussed the practical effect of Decision 137 on women, using examples from cases she has handled, particularly those involving widows and women divorced by their husbands.

Another hotly debated issue was the inclusion of female representatives in selected/elected bodies, including the Transitional National Assembly (TNA). In several conferences and workshops the women proposed a 40% quota to ensure the inclusion of a sufficient number of women in the TNA. For example, the Women's Expert Committee chaired by Her Excellency Nesreen Barwari, Minister of Municipalities and Public Works, recommended that women should be represented by a 40% quota and affirmative action should be exercised at all political and executive levels.

On a national scale, IWLGG worked with the Iraq Foundation for Development and Democracy (IFDD) to organize and host a conference on the "Role of Women in the New Iraq" in Baghdad. Invitees included women from all governorates and more than 200 women attended the conference. Lively discussions and debates were held about existing laws relating to women, comparing the Personal Code with Islamic Law, considering what would work best for women in the new Iraq, and addressing the importance of women's representation on all councils, political parties, government offices, and the TNA.

Impact of Accomplishments

The impact of LGP's accomplishments can be summarized as follows:

- ♦ For the first time in many decades Iraqis are able to elect their local leaders. In some cases where they opposed the choices of the Coalition Forces, they successfully have argued for the reconstitution of several councils to be more representative of the population.
- ♦ Women have been given a democratic voice. With LGP support they were able to defeat Decision 137 and secured a quota of 25% representation in the TNA; this is reflected in Article 30(C) of the TAL.

Baghdad LGT Increases the Participation of Women in District and Neighborhood Advisory Councils

1. To work with an Iraqi Reconstruction and Development Council (IRDC) representative, each neighborhood advisory council (NAC) is requested to invite two or three women to their meeting. On average, 20–25 women attend.
2. The LGT organizes a women-only meeting to discuss the benefit of participating in local policy making processes by joining the NAC or district advisory council (DAC).
3. After the discussion the women are asked to elect, by a secret ballot, two to three women to represent them on the DAC or NAC.
4. The LGT conducts an informal orientation for the elected women on how to present themselves and talk to the council, how to articulate why they should be part of the council, and what they would do if they were admitted to be members.
5. The women present themselves to the DAC or NAC and address why they should be elected to the council.
6. The council votes and elects, by a secret ballot, the women they want to join the council.

- ♦ Local councils throughout Iraq are now expected to address the priorities of citizens. Citizens are able to lodge complaints about the inadequacy of services and the severe unemployment situation at councils and service departments. Councils are also demanding greater control over reconstruction projects.

Sustainability of Effort

In collaboration with Coalition Forces and other USAID contracts, LGP has provided meeting and work space and office equipment for local councils. In so doing, LGP is fostering sustainability by building the capacity of local councils to meet with their constituents and prepare for council work. This arrangement has encouraged selected/elected councils to take their job seriously.

In addition, LGP's work with local universities and selected CSOs has build local capacity to train newly elected councils and to provide technical assistance for participatory policy making.

Program Adjustment and Plans for Option Year 1 (Year 2)

In Year 2, LGP will consolidate the gains it has made in Year 1 toward creating and developing a representative form of local policy making. LGP will provide technical assistance and training and assist in establishing mechanisms for citizen partition and input in order to promote good local governance that serves citizens well.

Good governance can be characterized by citizen participation, public-private partnerships, and government responsiveness and performance. Participation and partnership relate to the inclusive nature of good governance, whereby subnational governments consult citizens to determine priorities and forge alliances with various partners to augment their capacity to deliver services that citizens demand and expect. Performance deals with the actual results and impact of subnational government's management of public affairs.

Within this framework of good governance, transparency and accountability are cross-cutting factors. To enhance subnational governance practices, the LGP will look at three factors:

- ♦ Quality of civil servants
- ♦ Institutional norms, practices, systems, and processes
- ♦ Access to technology and modern management practices.

IR 4.1.3: More Effective and Efficient Local Service Delivery

Overview

As noted previously, under Saddam Hussein, essential service delivery was planned, managed, and controlled centrally. Access to essential services was not a right of citizens. The orientation of local service delivery department administrators and staff was to please Ba'ath Party bosses, not to meet citizens' needs. Hiring and promotion of local civil servants were based not on merit but on allegiance to the Ba'ath Party as well as ethnic and tribal affiliation. Thus, Iraqis have not developed a culture of local service delivery. Changing the mind-set of Iraqi bureaucrats and inculcating the concept of *customer-oriented* service delivery is a daunting but necessary task.

In Year 1, LGP sought to reorient service department administrators and staff to be more customer-oriented and to take initiative to solve service delivery problems within their jurisdiction. LGP also sought to address the productivity and effectiveness of public services and administration, and to establish merit and performance as the basis for appointment, promotion, remuneration, and termination of employment. To achieve these objectives, LGP assigned long-term advisors at the governorate level and below and sought to engage local government staff and officials in training activities. For example, LGP held workshops for technical staff or officials from several governorates with similar responsibilities.

LGP also focused on developing the managerial and leadership skills of newly appointed governors and department heads. With the departure of high-ranking Ba'ath Party members, most technical department heads were previously in purely technical or operations positions where they had little or no management responsibilities. Thrust into a managerial role, they were not prepared to plan, organize, staff, budget, and direct operations. For example, LGP helped orient local government officials to financial management responsibilities. Under the previous centralized system, local officials had no real roles in budget forecasting, capital investment planning, resource allocation among competing priorities, project design and implementation, outsourcing and procurement, cash flow management, accounting and auditing, performance measurement and management, or public disclosure of the financial condition of the local government and service departments.

LGP technical assistance was also directed to short-term cash flow management and to budget preparation and analysis, as technical departments and governors respond to central government and CPA requirements for information on immediate financial needs and next year's budget. This short-term technical assistance was directed at meeting immediate budget preparation and financial analysis requirements to ensure that critical needs were not overlooked due to inexperience on the part of Iraqi civil servants.

Accomplishments

LGP's local governance teams have changed the way managerial and technical personnel in local service delivery departments understand their roles—by conveying what it means to plan, budget, and deliver effective and efficient services to citizens and implement their service delivery responsibilities. The outreach capacity of local government institutions was developed so they can respond to citizen complaints and needs effectively and efficiently.

As a result of LGP assistance, throughout the governorates, heads of local service delivery departments have held neighborhood meetings to understand and respond to priority needs of local communities. Citizen complaint centers and complaint desks were established in most governors' and mayors' offices and at the offices of service delivery departments so the complaints can be addressed effectively. Executive departments and councils have improved their media and public relations capabilities, they are more transparent and accountable, and communication between local government officials and citizens has been improved. In addition, local service delivery departments have now begun to plan, budget, and manage resources entrusted to them.

Developing and Strengthening the Budgeting and Expenditure Management Capacity Within Local Government

Since July 2003, LGP has been working to develop and strengthen the budgeting and expenditure management capacity within local government. LGP teams analyzed the prewar accounting and financial management systems, hiring Iraqi consultants to analyze and explain the Ba'athist regime's accounting system. LGP public finance specialists then worked with local departments to develop budgets for July–December, 2003. The departments developed budget estimates and sent them to their respective central ministries. The final budget for each department was then determined in coordination with the Ministry of Finance (MOF) in Baghdad and local treasurers. LGP public finance specialists also helped local treasury and other departments execute approved budgets. This approach enabled governorate departments to develop practical budgeting and expenditure management skills.

As a result of LGP assistance, local government service departments have now established and use operating accounts and have developed plans for spending their approved monthly budget allocations. Each month, the departments submit expense reports to the MOF. LGP has recommended to the central ministry that departments should not receive additional funds until an acceptable trial balance has been submitted, to ensure that funds are spent to help restore basic operations, deliver services, and cover recurring expenses.

LGP public finance specialists also assisted local departments in applying their 2003 budget expenditure experience to the task of revising their 2004 budget estimates.

Examples of the success of this approach include the following:

- ♦ The Al Basrah Treasury Directorate has been cited as the most efficient in the country for its ability to submit trial balance records accounting for monthly department expenditures to the MOF. This successful effort is attributed in part to the technical support provided primarily by a local team of LGP financial consultants with combined banking, auditing, and accounting experiences. The team worked closely with the directorate since late September.
- ♦ In Al Hillah, the LGP hired private Iraqi auditors to audit the accounts of select government departments. The results of the audits were made available to the governorate councils. The councils then had a basis for questioning the departments to gain an understanding of the budgeting process and departmental budget constraints. This process has been used to educate the advisory councils about budgeting and public finance procedures and to demonstrate how the councils might become citizen watchdogs over local public finance.
- ♦ In At Ta'im, the governorate council established a finance and audit office to foster more transparency and accountability in the procurement and financial management transactions of local departments.

LGP public finance specialists have begun to assist local departments in developing expenditure and capital budgets in preparation for the 2005 budget. In order to receive a capital expenditure budget, departments must submit a capital expenditure budget to the MOF. LGP public finance specialists have begun working with the departments to determine spending plans.

Administrative and Fiscal Decentralization Conferences

Working with the Economic Governance Project implemented by BearingPoint, LGP cohosted a conference on administrative and fiscal decentralization in Baghdad on February 12, 2004. The approximately 190 attendees included Dr. Mowaffik al Ruba'ie (Interim Governing Councilmember), Nesreen Berwari (Minister of Municipalities and Public Works), governors and deputy governors from seven governorates, several provincial council chairs, local ministry directors general from eight governorates, and representatives of several central ministries. The purpose of the conference was to generate ideas on decentralization for the Iraqi Governing Council to consider. Presentations were made in Arabic and English with simultaneous translations.

Speakers from USAID, CPA, RTI, and BearingPoint covered such important topics as

- ♦ Principles of administrative and fiscal decentralization
- ♦ Division of responsibilities among various levels of government
- ♦ Capacity building needs (legislative, infrastructure, and human resource development)
- ♦ A case study of decentralization in Indonesia
- ♦ Lessons learned from the Middle East and Arab world and from Indonesia.

The national conference was well received by those attending. No one spoke against the concept of decentralization or federalism, nor did there appear to be significant concern that the unity of Iraq might be threatened.

On March 28, the first of a series of regional decentralization conferences was held in Al Basrah, with 150 Iraqis participating.

Strengthening the Technical Capacity of Service Departments

Working shoulder to shoulder with local government authorities to implement rapid-response grants for restoration of essential service delivery, LGP has trained managers and staff on project management. Developing scopes of work for contractors hired for grant activities and monitoring their job performances have provided a new means for officials to define and measure the performance of their own employees. Using new procedures for procurement and processing the receipt of goods has made the local officials more efficient in their service delivery.

Working in close proximity to the governors and provincial councils, LGP teams in Babil, Al Basrah, Baghdad, Al Mawsil, Kirkuk, Karbala', An Najaf, Al Muthanná, Dhi Qar, and Al Qadisiyah have provided technical assistance and training to help establish recurring cost budgets for service delivery departments. The assistance provided has strengthened of service departments' ability to design their own budgets and manage financial resources. Gaining effective control of this vital function will greatly improve their efficiency and go a long way toward supporting fiscal decentralization. LGTs also worked with Iraqi professional staff to help develop departmental budgets.

The following examples illustrate the range of successes achieved by the LGP:

- ♦ LGP assistance to the Al Basrah Water Authority involving daily monitoring of procurement and accounting procedures, as well as execution of repairs, has inculcated the principles of transparency in the department staff. Digital photos are taken daily of all new parts as they arrive, all repairs in progress, and all completed repairs. Competitive quotes are reviewed for each item purchased, and all of the facility engineers participate in two weekly meetings wherein receipts are reviewed and payments are disbursed. Through these activities, department staff acquired skills in project execution, project management, and inventory control.
- ♦ The Babil LGT has provided extensive training and technical assistance to Al Hillah's 54 municipal departments to establish a methodology for identifying priority budget needs. These departments have been trained on generally accepted accounting practices for developing operating budgets, current expenditure budgets, and capital budgets as ways of reducing waste and corruption. They can now prepare budgets for nonsalary current expenditures (e.g., fuel or supplies), monitor progress on project objectives and track expenditures, and revise and develop a realistic current expenditure budget for 2004.
- ♦ LGTs in the South Central region recruited, hired, and trained more than 25 Iraq sector specialists to facilitate development and strengthening of the institutional capacity of local service departments. These specialists assessed training needs of the respective service departments, including strategic planning, budgeting, and organizational development; determined and assessed effectiveness of the organizational structure of each department; collaboratively collected, archived, and maintained data and established research and

citizenship resource centers at local institutions (such as universities) to facilitate data-based policy research, decision-making, and citizen awareness; and assisted all departments in the development of the 2004 budget.

- ♦ In Kirkuk the LGT assisted the provincial council in establishing an Employment Services Office to create, develop, and foster merit-based, transparent hiring in the public and private sectors. More than 15,000 employment applications have been processed and 5,000 applicants have been employed.

Strengthening Intergovernmental Relations

LGP technical assistance has also strengthened intergovernmental relations. For example, South Central LGT's August 14 workshop ushered in and initiated an intergovernmental relations dialogue with central authorities. As a follow-on to the workshop, Mr. David Olivera, U.S. representative to the MOF organized a Budget and Finance Conference for August 22, 2003. During that meeting key decisions were made, including the following:

- ♦ With regard to budget negotiation and allocation to the subdepartments, the local treasurer will negotiate the budget divisions directly with the heads of the subdepartments. No decision was made as to essential local input needed in the central ministries' 2004 budget preparation given the tight deadline.
- ♦ On disbursement of current expense budgets and local treasurer reluctance to authorize expenditures without clear instructions from the MOF, Mr. Olivera said, in essence, that it was time to let these departments spend their money and that MOF will set up a more elaborate administrative system for 2004. The U.S. representative and a representative of the MOF will give local treasurers and departments authority to disburse their 2003 budgets in writing. A sample of the letter authorizing disbursement is shown below.

**Coalition Provisional Authority,
South – Central
Al Hillah, Iraq**

27 August 2003

MEMORANDUM FOR CPA South-Central Governors

All governorate treasurers have been ordered to disburse funds by the CPA representative to the Ministry of Finance. If any governor in the South Central Region (Babil, Karbala, Najaf, Qadisiya, Ramadi, and Wasit) is having trouble with the local treasurer refusing or delaying the disbursement of budget funds that have been allocated for the July through December Budget, contact the office of the CPA South Central Regional Coordinator. It has been nearly three months since this budget was approved and very few departments have received money to pay either their current expenses or their capital expenses. So we invite each treasurer to use his expertise and experience to facilitate this disbursement process immediately, free of the past routines of delay and refusal.

Because of the interim control system to be used by the treasury department during the next several months, it is necessary that all departments begin to follow appropriate accounting and auditing procedures. An external audit team will be established in each governorate to verify and examine all expenditures and revenues of the departments in each governorate. CPA will hire these auditors to work with the Governorate Councils, in order to provide an independent audit of the financial transactions implemented by each department. These audit teams will provide a report of their observations to the governorate council to review and provide solutions for the observations provided. A copy of these observations and solutions will be sent to the CPA.

Michael Gfoeller
Regional Coordinator

LGP has continued to strengthen intergovernmental relations by enhancing the knowledge and skills of subnational government officials on fiscal decentralization. In Diyala and Al Basrah, LGTs have conducted workshops and seminars on fiscal decentralization. In Diyala participants included accounting and finance officers of the directorates of municipalities, electricity, water, sewer, and the governor's office.

In another examples, in cooperation with the Basrah Governorate CPA and USAID, the Al Basrah LGT sponsored the first regional conference on administrative and fiscal decentralization on March 28. The conference was covered on a number of television and radio stations, including Al-Nahkeel, Annareen, IMN TV, and Radio Free Europe. Approximately 150 Iraqis participated, including the governors of Al Basrah, Dhi Qar, Maysan, and Al Muthanna, as well as provincial and local council members, religious and political party members, trade association representatives, academics, local department heads, and citizens.

Other activities and accomplishments include the following:

- ♦ In Karbala', the LGT worked with a team of seven auditing and accounting experts from the Karbala' branch of the Supreme Audit Bureau and independent accountants/auditors to organize and provide assistance in the preparation of operating expense budgets for governmental departments, as well as to develop the governorate budget for 2004.
- ♦ In Al Mawsil, the LGT is working with professors from Al Mawsil University's School of Administration and Economics to develop short courses for local government managers and financial management specialists. Case-study-based courses in strategic service planning and costing of services have been developed and are being used by the university. About 56 courses on a wide range of subjects—such as computer software, engineering, vehicle maintenance, management, and leadership—have been developed and a total of 750 individuals from the water, sewerage and sanitation directorates are being trained in one or more of these professional skills.
- ♦ The Baghdad LGT initiated and completed a series of cost-of-services assessments for water, sewage, and solid waste services. These assessments helped local government confirm tariffs and subsidies required to maintain and improve these basic municipal services for the benefit of more than 5 million people in the city.
- ♦ The Baghdad and the Al Basrah LGTs have provided technical assistance, material support, and training for the installation of computerized personnel management systems. A computerized personnel and payroll management systems was developed for the city of Baghdad and for the Al Basrah Directorate of Education.

Scope of Work for the Cost-of-Services Assessment

The assessment was conducted through a collaborative effort between LGP specialists, Iraqi utility professionals from the amanat utility departments, and outside consultants. The cost-of-services assessment addressed the following elements:

- 1. Develop System Description.** Establish the extent and methods of services delivery in Baghdad for water, sewage, and solid waste.
- 2. Determine Level Of Service.** Identify level of service standards for water, sewage, solid wastes, regulatory constraints on quality and quantity, and environmental issues.
- 3. Identify Revenue Philosophy.** Develop, discuss, and recommend philosophy of financing capital and operations costs.
- 4. Prepare Cost Of Service Model.** Develop cost of service models for water production, transmission and distribution; sewage collection, treatment, and disposal; and solid waste collection and disposal.
- 5. Recommend Tariff Structure.** Develop recommendations for a tariff structure based on customer classes, service levels, and demand characteristics, private vs. publicly operated systems.

Impact of Accomplishments

As a result of LGP technical assistance and training and the provision of rehabilitated and furnished offices, service delivery departments are now able to plan, budget, and execute service delivery programs. Service delivery departments are also becoming more customer oriented. For example, some departments heads have begun to visit neighborhoods and talk to communities to assess their needs and the status of services. In addition, service departments are responding to citizen complaints, either with the resources they have or with assistance from CPA and Coalition Forces. Local service delivery departments are also reviewing their personnel systems and assessing the training needs of their staff.

Sustainability of Effort

LGP has trained a large number of service department staff on a wide range of skills, including accounting, budgeting, procurement and tendering, personnel management, and service performance management. In addition, this same training is being developed and delivered by local universities such as Al Mawsil University, Salahaddin University, Babil University, and Al Basrah University. In the city of Baghdad, the water department now has its own training center and a cadre of LGP-trained trainers. Similarly, LGP has helped reestablish a vocational training center in Kirkuk near the Employment Services Office.

Program Adjustment and Plans for Option Year 1 (Year 2)

In Year 2, LGP will consolidate the gains made in the Base Year by concentrating resources in key technical assistance areas. Additional training and technical assistance will be provided to subnational governments to enhance their capacity to define their mission, vision, and goals, which will guide their service delivery philosophy and strategy.

Subnational governments will be provided technical assistance to set up coherent financial management systems, computerized procurement systems, and computerized personnel and payroll management systems. They will receive training and technical assistance on service cost analysis so they can begin to link their programming, budgets, and service delivery to the cost of services.

Selection and implementation of project activities will depend on whether or not the LGP has a resident expatriate program staff in the governorate. For example, the set of activities implemented by the hub office LGT in the home governorate are different from the set of activities implemented in other governorates within the region that depend solely or to a large extent on Iraqi professional staff.

IR 4.1.4: More Effective Advocacy and Participation of CSOs

Overview

CSOs have long existed in Iraq. However, most were associated with religious institutions and their focus was humanitarian assistance. There were also professional, trade, and industrial syndicates, which were manipulated for political ends by the Ba'ath Party apparatus. The concept of a civil society that demands government services and holds government accountable, however, is virtually untried in Iraq. One LGP goal was to stimulate greater cooperation among the public sector, the private sector, and civil society in local public service delivery. Another was to empower CSOs to demand and receive services, and hold service delivery organizations accountable for the level and quality of services delivered.

To achieve these goals, LGP provided technical assistance, training, and small grant funding to help create—or to enhance—the effectiveness of existing CSOs and NGOs at the local level. LGP civil society experts met with groups of individuals who shared common interests and whose interests could be furthered by more active participation in local political processes.

By helping to foster fair, honest, transparent, democratic, and accountable governance that is more tolerant of diversity and pluralism, CSOs can have a constructive impact on local political life in two ways. First, CSOs can appeal to (or pressure) government to improve their performance. Second, and in a more subtle manner, CSOs can encourage local governments to practice good governance by modeling honest, transparent, and accountable governance within their own organizations. This sets an example for government institutions. It also acquaints ordinary citizens with the possibility of better governance (which puts pressure on government to improve), and can provide people with the participatory experience and skills needed to make such governance a reality.

LGP sought to strengthen these aspects of CSOs through training and technical assistance. LGP also sought to identify and develop the means by which organized interest groups can engage with, influence, and strengthen local government institutions; raise the perception of legitimacy; and encourage more trusting relations between public officials and ordinary citizens.

Accomplishments

LGP has worked with existing and newly formed citizen groups to help them develop agendas that can be met or at least assisted by local government. The focus has been on restoring a sense of civil society by improving the ability of subnational institutions to deliver services to the people and by forming or strengthening CSOs to hold local government accountable for its performance and actions. In addition, LGP has helped individuals identify others with common interests to form associations. Associations of professionals, youth, women, disabled veterans, and other interest groups have been formed with LGP assistance. LGP assistance to such groups mainly focuses on how such groups can serve as watchdogs over local government, articulate needs to local government, and assist local government as partners to achieve common ends.

LGP has identified, developed, and strengthened CSOs in all governorates. LGP has developed CSO databases in several municipalities to better identify and support these groups. It had also worked with and enhanced capacities of local universities, such as the Universities of Al Mawsil, Baghdad, Babil, Al Basrah, and Tikrit to provide civic education and civic training.

Specific examples of LGP's efforts include the following:

- ♦ LGP has assisted women organization all across Iraq to voice women's concerns and to involve women in the Iraqi political process. For example, LGP established the Iraqi Women in Local Governance Group (IWLGG) in order to expand women's representation in local and national governmental bodies, and to increase their participation in Iraq's political future and

nation building. Today, more than 80 percent of neighborhood, district, subdistrict, and provincial councils have one or more women representatives.

- In many parts of the country, LGP has worked closely with CSOs such as the Iraqi Contractors Union (of which all contractors are members) and the Iraqi Engineers Syndicate (of which all engineers are members) to work on infrastructure rehabilitation projects for LGP-assisted subnational government institutions.
- In Al Basrah, the LGT developed a series of workshops for children to build a rapport with the community and to involve communities in solid waste removal from their neighborhoods. Workshops on environmental health, recycling, composting, neighborhood cleanliness, water pollution, and air pollution, were conducted in order to educate children about their environment and the effect of solid waste on their health. A complementary series of workshops were held to involve parents in solid waste removal.



Children in Al Basrah participate in an LGT-organized workshop.

LGP has also supported and enhanced the capacity of selected CSOs to conduct workshops and seminars on topics of interest. For example, on August 5 in Kirkuk, the Organization for Civil Society in Iraq (formerly the Post-War Study Group) held its first conference with LGP support. Titled “Towards Contemporary Civil Society in Iraq,” the conference featured four speakers who addressed different facets of civil society development in Iraq—such as civil society and religion, legal issues, and women and society. The conference was attended by all political parties in Kirkuk. Attendees also included representatives from Salahaddin University, Kirkuk University, and Tikrit University, as well as local officials.

Impact of Accomplishments

There are now more than 850 civil society organizations and NGOs all across Iraq and more are being established each day.

By recruiting contractors and engineers through their local unions instead of advertising for bids, LGP has invigorated the unions and encouraged members to sharpen their skills so they can actively compete with one another to win contracts. This is clearly demonstrated by attendance at meetings, which ranges in the hundreds. In addition, other U.S. government projects, international organizations, and NGOs have adopted this model of working with the unions.

LGP has also helped local Chambers of Commerce create public-private partnerships designed to promote economic and social development.

Sustainability of Effort

Sustainability of LGP’s efforts to strengthen CSOs will be effected through the large cadre of civic dialogue facilitators that LGP has recruited, trained, and hired. These facilitators are capable of initiating and conducting small and large group meetings and conferences to discuss important financial and political issues.

Program Adjustment and Plans for Option Year 1 (Year 2)

LGP’s role in CSO development and capacity building will be very limited. It will only work with civic groups that partner with subnational government to promote policies and programs that generate economic development and growth locally and regionally.

Part II: Financial Report

Overview

The total project expenditures during the contract Base Year were \$133.9 million or 80% of the Base Year contracted value. Of this amount, \$16.4 million was for rapid response grants. As of May 31, 2004, \$125.3 million of the total Base Year expenditures were in actual and \$8.6 in accrued expenditures.

\$7.7 million of the outstanding Base Year accruals are related to grants that were obligated during the Base Year, but were not fully implemented during the Base Year. About \$0.9 million in the outstanding Base Year accruals are related to the subcontractor Base Year costs that have still not been invoiced to RTI and remain as open commitments for the Base Year. We are expecting to liquidate all non-grant related Base Year accrual in the coming few months as the subcontractors liquidate their invoicing backlogs.

Majority of the financial savings related to the Base Year contract implementation were realized by the higher utilization of Iraqi staff. As the number of expatriate staff was reduced the number of Senior Iraqi Professional staff was increased with significantly lower base compensation. The number of Iraqi staff reached about 2,600 as of the end of the Base Year. The financial savings realized were applied toward Option Year 1.

Exhibit 2 presents the Base Year expenditures by IR and by CLIN. The exhibit also shows the accrued Base Year expenditures by CLIN.

Exhibit 3 shows the summary of the Base Year expenditures by CLIN compared to the Base Year funded and contracted value. 80% of the contracted value and 86% of the Base Year funded value was expended during the Base Year. \$21.8 million in the funded Base Year savings was applied toward the Option Year budget. Most of the financial savings in the Base Year were realized from the substitution of expatriate staff with Senior Iraqi Professionals.

Exhibit 4 is a summary of the expenditures by IR.

IR 4.1.1 constituted 16%, IR 4.1.2, IR 4.1.3 and IR 4.1.4 represented 22%, 43% and 19%, respectively of the total Base Year expenditures.

<u>IR</u>	<u>Cumulative Expenses</u>	<u>%</u>
4.1.1	\$21.1 M	16%
4.1.2	\$29.4 M	22%
4.1.3	\$58.2 M	43%
4.1.4	\$25.2 M	19%
Total	\$133.9 M	100%

Exhibit 5. During the Base Year LGP delivered 67,647 LOE days or 98% of the total contracted LOE days. This is a significant achievement given the security situation in Iraq and delays in the deployment of expatriate professional staff to Iraq. The total LOE days delivered included a significant portion of Iraqi senior professional staff in accordance with the deployment schedule approved by the USAID in September 2003.

Exhibit 1. Rapid-Response Grants: Status by Region and Governorate

Governorate	Grant Activity	Amount	Status	Status Date	Sector	Beneficiaries	IR	ID
Central								
Baghdad	Baghdad Women's Centers Foundation Library Grant	\$82,000.0	e. Implementation Started	3/20/2004	Civil Society	40	4.1.4	193
Baghdad	Inventory of Civil Society Organizations	\$21,945.0	f. Implementation Finished	3/7/2004	Civil Society	150	4.1.4	158
Baghdad	Renovation of the 8th Floor of the Amanat Baghdad	\$240,000.0	c. Submitted to CTO	1/26/2004	Local Government	4,200,000	4.1.2	191
Baghdad	Technical books and CDs to Amanat Baghdad	\$60,000.0	e. Implementation Started	10/7/2003	Local Government	1,500	4.1.3	118
Baghdad	Restoration of up to 50 Advisory Council meeting places.	\$250,000.0	f. Implementation Finished	2/23/2004	Local Government	4,200,000	4.1.2	72
Baghdad	Rehabilitate Public Library, Amanat Baghdad Department of Libraries	\$12,000.0	f. Implementation Finished	8/21/2003	Local Government	3,500	4.1.1	73
Baghdad	Establishment of NAC centers in Baghdad	\$250,000.0	f. Implementation Finished	2/24/2004	Local Government	800,000	4.1.4	152
Baghdad	Karrada Drain replacement Grant, Sewerage Department	\$180,000.0	e. Implementation Started	3/10/2004	Sanitation	26,000	4.1.1	161
Baghdad	Improved security measure for municipal solid waste vehicles, Amanat Baghdad	\$171,450.0	e. Implementation Started	1/26/2004	Sanitation	5,600,000	4.1.1	192
Baghdad	Kamaliya Sewerage System Improvements	\$65,000.0	f. Implementation Finished	2/23/2004	Sanitation	15,000	4.1.1	147
Baghdad	Kamaliya pump repair	\$20,000.0	f. Implementation Finished	2/24/2004	Sanitation	15,000	4.1.1	162
Baghdad	Sewage pump back-up and security at the pump station	\$10,000.0	f. Implementation Finished	1/4/2004	Sanitation	6,000	4.1.4	125
Baghdad	Computer training center for Amanat Baghdad Directorate of Water	\$230,000.0	e. Implementation Started	11/5/2003	Water	850,000	4.1.3	120
Baghdad	Rehabilitation of elevators at the Baghdad Water Authority	\$26,600.0	f. Implementation Finished	1/26/2004	Water	850,000	4.1.3	129
	Total	\$1,618,995.0						
North								
Arbil	Women's Radio Station	\$20,730.0	c. Submitted to CTO	2/22/2004	Civil Society	600,000	4.1.4	261
Arbil	Hawler International Airport II Grant	\$80,000	c. Submitted to CTO	3/23/2004	Business Development	12,000	4.1.3	270
Niniwa	Furniture and Equipment for Iraqi Engineering Union-Mosul	\$13,010.0	c. Submitted to CTO	2/22/2004	Civil Society	10,000	4.1.4	260
Niniwa	Shaquili Well Grant Extension	\$9,900.0	c. Submitted to CTO	2/22/2004	Water	4,000	4.1.1	259
Niniwa	Mosul Municipalities Computers Grant	\$39,000.0	c. Submitted to CTO	2/19/2004	Local Government	50	4.1.3	228

Governorate	Grant Activity	Amount	Status	Status Date	Sector	Beneficiaries	IR	ID
Niniwa	Mosul Sewer Department Computer Grant	\$15,600.0	c. Submitted to CTO	2/19/2004	Sanitation	20	4.1.3	227
Niniwa	Office equipment for Mosul Governorate Council	\$8,000.0	c. Submitted to CTO	3/14/2004	Local Government	44	4.1.2	262
Niniwa	Office equipment for Mosul District Council	\$8,000.0	c. Submitted to CTO	3/14/2004	Local Government	20	4.1.2	263
Niniwa	Mosul Water Department Computer Technology Grant	\$23,400.0	c. Submitted to CTO	2/19/2004	Water	30	4.1.3	224
Salah Al Din	Balad District Council building Grant	\$34,283.0	c. Submitted to CTO	3/18/2004	Local Government	170,000	4.1.2	254
Ta'mim	Kirkuk Youth Forum Grant	\$5,000.0	c. Submitted to CTO	3/10/2004	Civil Society	370	4.1.4	231
Ta'mim	Furniture and Equipment to HRDOIH Hawija	\$9,000.0	c. Submitted to CTO	2/19/2004	Civil Society	32	4.1.4	258
Ta'mim	Kirkuk Solid Waste Trucks	\$249,000.0	c. Submitted to CTO	3/18/2004	Sanitation	134,000	4.1.3	225
Arbil	Technical Equipment for Arbil Youth and Sport Center Building	\$31,130.0	d. Approved by CTO	2/25/2004	Civil Society	500	4.1.1	257
Arbil	Women's Participation in the Workforce Workshops - Erbil and Sulaimaniyah	\$31,262.0	d. Approved by CTO	1/21/2004	Civil Society	100	4.1.4	187
Arbil	Arbil Tourism Website Development	\$85,000.0	d. Approved by CTO	1/21/2004	Business Development	1,200,000	4.1.3	186
Diyala	Diyala Water Testing Equipment	\$100,000.0	d. Approved by CTO	3/9/2004	Water	1,224,000	4.1.3	240
Niniwa	Tree planting Grant- Mosul	\$23,920.0	d. Approved by CTO	1/21/2004	Local Government	100	4.1.1	213
Salah Al Din	Tikrit District Council Building Furnishing	\$3,592.0	d. Approved by CTO	2/23/2004	Civil Society	130,000	4.1.2	249
Salah Al Din	Ad Dor District Council Building Renovation	\$19,963.0	d. Approved by CTO	2/23/2004	Civil Society	50,000	4.1.2	250
Salah Al Din	Al-Shargat District Council Building Renovation	\$27,629.0	d. Approved by CTO	2/23/2004	Civil Society	122,000	4.1.2	251
Salah Al Din	Tuz District Council Building Grant	\$5,715.0	d. Approved by CTO	2/23/2004	Civil Society	154,000	4.1.2	253
Salah Al Din	Salah Ad Din Governorate Council Building Furnishings	\$39,875.0	d. Approved by CTO	3/9/2004	Civil Society	1,000,000	4.1.2	256
Salah Al Din	Renovation of University of Tikrit 2nd Floor for the new Institute of Local Government and Public Works	\$230,000.0	d. Approved by CTO	3/9/2004	Civil Society	55,000	4.1.3	239
Salah Al Din	Samarrah business Center Grant	\$100,000.0	d. Approved by CTO	2/23/2004	Civil Society	950,000	4.1.4	234
Salah Al Din	Al Shergat District Council Farmers Union Building Renovation	\$19,034.0	d. Approved by CTO	2/23/2004	Civil Society	122,000	4.1.4	252
Salah Al Din	Balad District Council Meeting Facility Renovation	\$40,111.0	d. Approved by CTO	3/9/2004	Civil Society	20,000	4.1.4	255
Salah Al Din	Functioning office/residence facilities- Tikrit	\$10,000.0	d. Approved by CTO	3/6/2004	Civil Society	1,000,000	4.1.4	267
Salah Al Din	Laboratory sampling and testing equipment- Tikrit	\$75,000.0	d. Approved by CTO	2/15/2004	Water	942,000	4.1.3	197
Sulaimaniya	Youth awareness campaign grant- Sulaimaniyah	\$7,646.0	d. Approved by CTO	2/23/2004	Civil Society	5,000	4.1.4	233
Ta'mim	Refurbishment of Farmers rights organization building- Haweeja	\$28,500.0	d. Approved by CTO	2/15/2004	Civil Society	250	4.1.4	208
Ta'mim	Dibis Cultural Center- Kirkuk	\$25,509.0	d. Approved by CTO	2/23/2004	Civil Society	3,200	4.1.4	229
Ta'mim	Women's Mobile Legal Clinic	\$6,400.0	d. Approved by CTO	2/22/2004	Civil Society	3,200	4.1.4	243

Governorate	Grant Activity	Amount	Status	Status Date	Sector	Beneficiaries	IR	ID
Ta'mim	Furniture for Kirkuk Handicapped Rehabilitation Center	\$26,023.0	d. Approved by CTO	1/8/2004	Health	500	4.1.1	199
Ta'mim	Kirkuk Youth and Sport Grant	\$35,282.0	d. Approved by CTO	2/23/2004	Civil Society	3,000	4.1.3	248
Ta'mim	Rahimawa Sewage Improvements	\$140,000.0	d. Approved by CTO	2/23/2004	Sanitation	16,000	4.1.3	244
Ta'mim	Kirkuk water tanks	\$51,500.0	d. Approved by CTO	2/15/2004	Water	14,000	4.1.3	209
Arbil	Arbil Economic Development Strategy Grant	\$100,000.0	e. Implementation Started	2/23/2004	Business Development	1,000,000	4.1.2	177
Arbil	Grant for the international conference to be held in Arbil January 15-17 on the potential restoration/adaptive reuse of the Citadel.	\$40,000.0	e. Implementation Started	2/23/2004	Business Development	200	4.1.3	178
Diyala	Diyala Grant to enhance the capacity of Finance departments	\$207,052.0	e. Implementation Started	3/13/2004	Local Government	1,200,000	4.1.3	232
Diyala	Refurbishment of Bani Saad City Council Building	\$41,917.0	e. Implementation Started	3/10/2004	Local Government	50,000	4.1.2	214
Diyala	Improvement of sewage infrastructure service delivery- Diyala	\$246,022.0	e. Implementation Started	3/4/2004	Sanitation	30,000	4.1.1	189
Diyala	Survey, office safety sewage equipment - Diyala	\$78,130.0	e. Implementation Started	3/4/2004	Sanitation	1,224,000	4.1.1	190
Diyala	Baquba solid waste grant	\$248,000.0	e. Implementation Started	3/4/2004	Sanitation	552,620	4.1.1	196
Diyala	Improve sewage infrastructure service delivery- Tahrir-Diyala	\$45,776.0	e. Implementation Started	3/4/2004	Sanitation	30,000	4.1.1	198
Diyala	Equipment Supply for the Directorate of Water-Diyala	\$148,600.0	e. Implementation Started	3/4/2004	Water	1,224,000	4.1.3	185
Dohuk	Galishin/Bawan Water	\$76,870.0	e. Implementation Started	3/9/2004	Water	7,500	4.1.1	180
Niniwa	Refurbishment of women's social and cultural society building	\$16,295.0	e. Implementation Started	3/9/2004	Civil Society	150	4.1.4	210
Niniwa	Trash Barrels- East of Mosul	\$48,720.0	e. Implementation Started	3/9/2004	Health	502,000	4.1.3	212
Niniwa	Iraqi Childhood Grant- Mosul	\$5,884.0	e. Implementation Started	3/9/2004	Health	5,000	4.1.4	202
Niniwa	Mosul City Park Grant	\$248,000.0	e. Implementation Started	10/21/2003	Local Government	1,700,000	4.1.2	148
Niniwa	GIS Workstation- Mosul	\$84,757.0	e. Implementation Started	3/4/2004	Local Government	25	4.1.3	215
Niniwa	Al Hadr Public Security and Services	\$93,740.0	e. Implementation Started	8/26/2003	Local Government	25,000	4.1.1	81
Niniwa	Shanaf pipeline grant- Mosul	\$58,000.0	e. Implementation Started	3/13/2004	Water	1,200	4.1.1	201
Niniwa	Repair of 36 vehicles and one crane as well as one road grader for Ninevah Water Dept	\$135,434.0	e. Implementation Started	1/29/2004	Water	1,700,000	4.1.3	124
Niniwa	Al-Intisar Neighborhood Water Grant- Mosul	\$99,500.0	e. Implementation Started	3/13/2004	Water	3,300	4.1.3	230
Sulaimaniya	Democracy Training Center- Sulaimaniya	\$109,318.0	e. Implementation Started	3/4/2004	Civil Society	5,000	4.1.4	203
Sulaimaniya	Suleimaniya Women's Center	\$7,012.5	e. Implementation Started	3/4/2004	Civil Society	180	4.1.4	205
Sulaimaniya	Laila Qasim Elementary School Rehabilitation-Kalar	\$106,046.0	e. Implementation Started	3/4/2004	Education	720	4.1.3	204
Sulaimaniya	Renovation and extension of the	\$97,733.0	e. Implementation Started	11/16/2003	Local Government	250,000	4.1.3	149

Governorate	Grant Activity	Amount	Status	Status Date	Sector	Beneficiaries	IR	ID
	municipal/district facility in Chamchamal							
Sulaimaniya	Construction of two new wells with pumps houses in Takiya, Chamchamal	\$90,000.0	e. Implementation Started	11/16/2003	Water	21,000	4.1.1	150
Ta'mim	Urgent need to vet current staff and improve employment prospects.	\$79,000.0	e. Implementation Started	8/26/2003	Civil Society	50,000	4.1.3	29
Ta'mim	Rehabilitation of Shuruq Society for Iraqi Women- Kirkuk	\$23,598.0	e. Implementation Started	3/9/2004	Civil Society	200	4.1.4	218
Ta'mim	Project Coordination Center- Kirkuk	\$55,315.0	e. Implementation Started	12/17/2003	Local Government	835,000	4.1.3	156
Ta'mim	Furnish government building.	\$149,020.0	e. Implementation Started	8/26/2003	Local Government	350	4.1.3	77
Ta'mim	Kirkuk Business Center Grant	\$55,385.0	e. Implementation Started	12/9/2003	Business Development	2,717	4.1.3	155
Ta'mim	Kirkuk Governance Building	\$231,559.0	e. Implementation Started	1/5/2004	Local Government	500	4.1.3	160
Ta'mim	Refurbishment of Kirkuk Vocational Center	\$173,500.0	e. Implementation Started	12/17/2003	Local Government	1,800	4.1.3	159
Arbil	Facilitate a conference/workshop on women's rights and education.	\$52,600.0	f. Implementation Finished	11/16/2003	Civil Society	300	4.1.4	56
Arbil	Training-of-trainers Workshop	\$31,550.0	f. Implementation Finished	11/9/2003	Civil Society	600,000	4.1.4	102
Arbil	Erbil International Airport	\$250,000.0	f. Implementation Finished	2/24/2004	Business Development	3,000	4.1.1	140
Diyala	Ba'quba Mayor office	\$48,900.0	f. Implementation Finished	1/12/2004	Local Government	225,000	4.1.2	126
Diyala	Refurbishment and Refurnishing of Hibhib City Council Building	\$75,268.0	f. Implementation Finished	2/24/2004	Local Government	70,000	4.1.2	153
Niniwa	Yezedi cultural association	\$13,750.0	f. Implementation Finished	11/19/2003	Civil Society	800,000	4.1.4	114
Niniwa	Free Prisoners Society Grant- Mosul	\$11,132.0	f. Implementation Finished	2/25/2004	Civil Society	15,000	4.1.4	200
Niniwa	Humanitarian Society for Dwarfs in Mosul Grant	\$4,466.0	f. Implementation Finished	3/4/2004	Civil Society	7	4.1.4	206
Niniwa	Vehicles for the Directorate of environment- Mosul	\$11,000.0	f. Implementation Finished	2/25/2004	Health	42	4.1.3	211
Niniwa	Repair of Mosul Streets	\$198,720.0	f. Implementation Finished	2/23/2004	Local Government	1,700,000	4.1.2	166
Niniwa	Mosul Sewer Project	\$31,300.0	f. Implementation Finished	1/5/2004	Sanitation	1,750,000	4.1.1	111
Niniwa	Tarjilla Water	\$162,815.0	f. Implementation Finished	2/24/2004	Water	3,900	4.1.1	112
Niniwa	Shaquili Water project	\$125,370.0	f. Implementation Finished	2/23/2004	Water	2,500	4.1.1	113
Ta'mim	Refurbishing offices, providing furniture and basic equipment.	\$17,000.0	f. Implementation Finished	2/23/2004	Civil Society	460	4.1.4	4

Governorate	Grant Activity	Amount	Status	Status Date	Sector	Beneficiaries	IR	ID
Ta'mim	Facilitate one-day seminar for Post-War Study Group.	\$1,200.0	f. Implementation Finished	9/18/2003	Civil Society	50	4.1.4	76
Ta'mim	Kirkuk Fine Arts Museum Grant	\$39,732.0	f. Implementation Finished	1/5/2004	Civil Society	800,000	4.1.4	169
Ta'mim	Need security for delivery and pickup of school exams.	\$3,100.0	f. Implementation Finished	11/16/2003	Education	26,500	4.1.1	30
Ta'mim	Provide security for Electrical company site.	\$900.0	f. Implementation Finished	11/16/2003	Electricity	2,500,000	4.1.1	55
Ta'mim	Refrigerators for vaccines, kirkuk	\$42,964.0	f. Implementation Finished	1/5/2004	Health	350,000	4.1.1	179
Ta'mim	Fund repairs/ materials/ equipment/ and stipends for orphanage.	\$31,304.0	f. Implementation Finished	11/16/2003	Other	105	4.1.1	78
Ta'mim	Support to Iraqi Engineering Team	\$20,955.0	f. Implementation Finished	1/5/2004	Civil Society	842,000	4.1.3	80
	Total	\$6,052,223.5						
South Central								
Anbar	Maintenance of sewer stations in Ar-Ramadi	\$250,000.0	d. Approved by CTO	9/25/2003	Sanitation	145,000	4.1.3	131
Anbar	Trash Collection and removal from the Streets of Collection and removal from the Streets of Fallujah, Governorate of Al-Anbar	\$250,000.0	d. Approved by CTO	11/15/2003	Sanitation	573,000	4.1.3	163
Anbar	Rehabilitation of Sewer Systems in Fallujah, Governorate of Al-Anbar	\$250,000.0	d. Approved by CTO	11/15/2003	Sanitation	293,000	4.1.3	164
Anbar	Street vendors relocation in Falluja	\$250,000.0	d. Approved by CTO	11/15/2003	Sanitation	213,000	4.1.3	165
Babylon	Hillah Road Graders Grant	\$53,000.0	d. Approved by CTO	3/10/2004	Transportation	1,200,000	4.1.2	183
Najaf	Najaf No. 235 Neighborhood Grant Program: Re-equipping of Kindergartens	\$149,850.0	d. Approved by CTO	2/29/2004	Education	3,369	4.1.2	235
Najaf	Najaf Neighborhood Grant Rehab of Kindergartens	\$235,759.0	d. Approved by CTO	2/29/2004	Education	3,369	4.1.3	236
Qadissiya	Diwaniya Neighborhood Grant Program	\$108,022.0	d. Approved by CTO	2/29/2004	Education	300,000	4.1.4	246
Qadissiya	Diwaniya Neighborhood and City Assistance	\$204,844.0	d. Approved by CTO	2/29/2004	Health	300,000	4.1.2	245
Anbar	Rehab. of Health Centers/Ramadi	\$250,000.0	e. Implementation Started	11/15/2003	Health	1,000,000	4.1.3	130
Anbar	Rehabilitation of the Provincial Council headquarters/Ramadi	\$25,000.0	e. Implementation Started	11/16/2003	Local Government	1,200,000	4.1.2	133
Anbar	Trash collection and removal from the streets of Ar-Ramadi	\$180,000.0	e. Implementation Started	11/16/2003	Sanitation	400,000	4.1.3	128
Babylon	Al- Hilla Neighborhood Council Meeting Halls and Pre-schools	\$205,490.0	e. Implementation Started	1/26/2004	Civil Society	400,000	4.1.2	216
Babylon	Al-Hilla Street Lights and Dumpsters	\$160,118.0	e. Implementation Started	1/26/2004	Electricity	200,000	4.1.2	217
Karbala	Kerbala Sewage and Education Umbrella grant	\$184,000.0	e. Implementation Started	1/26/2004	Civil Society	200,000	4.1.2	223
Karbala	Kerbala water, roads and street lights grant	\$184,000.0	e. Implementation Started	1/26/2004	Electricity	150,000	4.1.2	219

Governorate	Grant Activity	Amount	Status	Status Date	Sector	Beneficiaries	IR	ID
Karbala	Supply of drinking water to Nabhaniya village homes	\$27,000.0	e. Implementation Started	3/15/2004	Water	1,800	4.1.3	134
Najaf	Najaf Manhole Supply	\$110,700.0	e. Implementation Started	12/6/2003	Sanitation	15,000	4.1.1	135
Wassit	Wasit2 Grant Program	\$246,046.0	e. Implementation Started	3/17/2004	Electricity	330,000	4.1.2	247
Wassit	Wasit No. 1- Neighborhood Grant Program	\$139,832.0	e. Implementation Started	3/17/2004	Health	200,000	4.1.2	237
Babylon	Rehabilitation of Sewing Association buildings	\$80,500.0	f. Implementation Finished	12/22/2003	Civil Society	30,045	4.1.4	132
Babylon	Rehabilitation of Al-Hilla Chamber of Commerce	\$44,177.0	f. Implementation Finished	3/14/2004	Civil Society	15,000	4.1.4	175
Babylon	Education services for the educational committee- Hilla	\$16,680.0	f. Implementation Finished	2/15/2004	Education	380,000	4.1.3	136
Babylon	Hilla City street lights grant	\$21,000.0	f. Implementation Finished	3/11/2004	Electricity	56,000	4.1.2	184
Babylon	Provide basic furnishings and a computer.	\$4,630.0	f. Implementation Finished	9/13/2003	Local Government	350,000	4.1.2	34
Babylon	Computer and technical support for treasury operations.	\$4,800.0	f. Implementation Finished	10/27/2003	Local Government	37,000	4.1.2	35
Babylon	Repair of the severely damaged sewage network at Street-40 and at Al-Suk in the city of Hilla	\$16,800.0	f. Implementation Finished	12/22/2003	Sanitation	2,000	4.1.1	119
Karbala	Restoring power supply to 540 homes.	\$5,000.0	f. Implementation Finished	10/27/2003	Electricity	3,240	4.1.1	7
Karbala	Computers for tracking patients records.	\$5,000.0	f. Implementation Finished	10/27/2003	Health	15,600	4.1.3	2
Karbala	Computers for tracking patients records.	\$2,250.0	f. Implementation Finished	10/27/2003	Health	5,200	4.1.3	3
Karbala	Computers for tracking patients records.	\$1,500.0	f. Implementation Finished	10/27/2003	Health	5,200	4.1.3	5
Karbala	Computers for tracking patients records.	\$1,000.0	f. Implementation Finished	10/27/2003	Health	700,000	4.1.3	6
Najaf	Reconstruction of college arts building and admin. building.	\$63,415.0	f. Implementation Finished	9/13/2003	Education	10,000	4.1.1	12
Najaf	Provide security lights and telephones for schools within the district.	\$4,500.0	f. Implementation Finished	12/22/2003	Education	250,000	4.1.1	54
Najaf	Najaf Primary Health Care	\$25,000.0	f. Implementation Finished	12/22/2003	Health	950,000	4.1.3	82
Najaf	Repairs to four major fire stations.	\$19,616.0	f. Implementation Finished	9/13/2003	Fire Safety	500,000	4.1.1	8
Najaf	Tools for Najaf Fire Department	\$4,864.0	f. Implementation Finished	12/22/2003	Fire Safety	700,000	4.1.1	83
Najaf	Renovate An Najaf Fire Dept. Admin. Station	\$4,909.0	f. Implementation Finished	9/13/2003	Fire Safety	500,000	4.1.3	33

Governorate	Grant Activity	Amount	Status	Status Date	Sector	Beneficiaries	IR	ID
Najaf	Repair two ruptured 36' water mains.	\$2,200.0	f. Implementation Finished	12/6/2003	Water	500,000	4.1.1	31
Qadissiya	Rehab. of 5 schools in Ash-Shamiyah	\$105,400.0	f. Implementation Finished	3/11/2004	Education	7,500	4.1.4	142
Qadissiya	Repair/renovate power lines and substations.	\$5,000.0	f. Implementation Finished	9/13/2003	Electricity	25,000	4.1.1	41
Qadissiya	Urgent need for personal protective equipment and testing equipment.	\$5,000.0	f. Implementation Finished	10/27/2003	Electricity	500,000	4.1.1	42
Qadissiya	Urgent need for primary transformer repair.	\$1,500.0	f. Implementation Finished	9/13/2003	Electricity	25,000	4.1.1	43
Qadissiya	Cooling tower repairs.	\$15,000.0	f. Implementation Finished	12/2/2003	Health	2,000	4.1.1	26
Qadissiya	Refrigeration units repair.	\$3,500.0	f. Implementation Finished	9/13/2003	Health	1,000,000	4.1.3	28
Qadissiya	Repair/renovate bank building.	\$20,000.0	f. Implementation Finished	12/22/2003	Local Government	40,000	4.1.3	36
Qadissiya	Repair/renovate bank building.	\$9,999.0	f. Implementation Finished	9/13/2003	Local Government	40,000	4.1.3	37
Qadissiya	Repair/renovate bank building.	\$4,999.0	f. Implementation Finished	12/6/2003	Local Government	40,000	4.1.3	38
Qadissiya	Repair/renovate bank building.	\$4,999.0	f. Implementation Finished	9/13/2003	Local Government	40,000	4.1.3	39
Qadissiya	Repair/renovate bank building.	\$4,999.0	f. Implementation Finished	9/13/2003	Local Government	40,000	4.1.3	40
Qadissiya	Urgent need for protective firefighting equipment.	\$5,000.0	f. Implementation Finished	9/13/2003	Fire Safety	500,000	4.1.3	44
Qadissiya	Repair/replace Grain Trade electrical system , windows and doors.	\$5,000.0	f. Implementation Finished	9/13/2003	Agriculture	900,000	4.1.3	45
Qadissiya	Repair/replace Grain Trade electrical system, windows and doors.	\$5,000.0	f. Implementation Finished	9/13/2003	Agriculture	900,000	4.1.3	46
	Total	\$3,986,898.0						
South								
Maysan	Maysan Women's Development Center	\$92,098.0	d. Approved by CTO	2/11/2004	Civil Society	11,600	4.1.4	242
Basrah	Disabled Veterans Building	\$40,000.0	e. Implementation Started	10/4/2003	Civil Society	3,750	4.1.1	103
Basrah	Rehabilitation of power stations in the General Iraq Company of Electrical	\$95,150.0	e. Implementation Started	10/9/2003	Electricity	4,000,000	4.1.3	139
Basrah	Power Production – Power Station Repairs (1) Hartha, (2) Nej, (3) Shu, (4) Kaz	\$132,770.0	e. Implementation Started	10/9/2003	Electricity	340,000	4.1.3	145
Basrah	Basrah Power Production – General Repairs	\$217,090.0	e. Implementation Started	10/9/2003	Electricity	340,000	4.1.3	146
Basrah	Basrah Slaughterhouse Grant	\$248,000.0	e. Implementation Started	1/10/2004	Health	4,000,000	4.1.1	207
Basrah	Repair of solid waste and support equipment.	\$175,197.0	e. Implementation Started	10/18/2003	Local Government	728	4.1.1	67

Governorate	Grant Activity	Amount	Status	Status Date	Sector	Beneficiaries	IR	ID
Basrah	Reconstruction of equipment storage building and Mech. Engineering Office.	\$86,846.0	e. Implementation Started	10/18/2003	Local Government	728	4.1.3	60
Basrah	Reconstruction of Maintenance Facility Workshop Building.	\$202,765.0	e. Implementation Started	10/18/2003	Local Government	728	4.1.3	61
Basrah	Office Equipment/Furnishings, Basrah Municipality	\$89,000.0	e. Implementation Started	8/31/2003	Local Government	1,000,000	4.1.3	86
Basrah	Urgent need for parts/ supplies to restore sewage operations, Al-Rupat.	\$156,000.0	e. Implementation Started	10/18/2003	Sanitation	425,000	4.1.3	68
Basrah	Urgent need for parts/supplies to restore sewage operations, Al-Jamiyat.	\$183,000.0	e. Implementation Started	10/18/2003	Sanitation	425,000	4.1.3	69
Basrah	Urgent need for parts/supplies to restore sewage operations.	\$101,800.0	e. Implementation Started	10/18/2003	Sanitation	425,000	4.1.3	70
Basrah	Urgent need for parts/supplies to restore sewage operations, Central Office.	\$209,500.0	e. Implementation Started	10/18/2003	Sanitation	425,000	4.1.3	71
Basrah	Urgent water treatment/repairs.	\$12,000.0	e. Implementation Started	7/23/2003	Water	141,666	4.1.1	20
Dhi-Qar	Municipality of Nasiriyah Thiqr Governorate - Maintenance	\$35,219.0	e. Implementation Started	10/11/2003	Health	28,350	4.1.1	87
Dhi-Qar	Equipment repair - Directorate of Municipalities Dhi-qar Governorate	\$92,098.0	e. Implementation Started	10/11/2003	Local Government	679	4.1.1	85
Dhi-Qar	Dhi-Qar Governorate Water Supply Authority Communication, vehicles and spare part supply	\$249,000.0	e. Implementation Started	10/18/2003	Water	1,000,000	4.1.1	138
Dhi-Qar	Commercial Market/Office Renovation, Nasiriyah Municipality	\$35,219.0	e. Implementation Started	11/11/2003	Business Development	390,000	4.1.3	89
Dhi-Qar	Administration/Maintenance Facility Renovation, Nasiriyah Municipality	\$105,052.0	e. Implementation Started	3/18/2004	Local Government	390,000	4.1.3	91
Dhi-Qar	Nasiriyah Girls' Orphanage	\$25,500.0	e. Implementation Started	10/4/2003	Public Care	50	4.1.3	104
Dhi-Qar	Nasiriyah Infants' Orphanage	\$20,000.0	e. Implementation Started	10/4/2003	Public Care	90	4.1.3	105
Dhi-Qar	Dhi-Qar Governorate Sewage Authority Central Office	\$217,000.0	e. Implementation Started	10/18/2003	Sanitation	4,000,000	4.1.3	137
Muthanna	Samawah Deaf.Mute Institute	\$21,000.0	e. Implementation Started	10/4/2003	Education	215	4.1.3	108
Muthanna	Rehabilitation of Samawah storage facility	\$92,098.0	e. Implementation Started	10/9/2003	Health	20	4.1.3	84
Basrah	Transportation for students and teachers to location for exams.	\$300.0	f. Implementation Finished	7/23/2003	Education	1,000	4.1.3	11
Basrah	Rehabilitation of Umm Qasr schools.	\$100,000.0	f. Implementation Finished	12/20/2003	Education	7,000	4.1.3	79
Basrah	Makka Secondary School for Girls	\$79,290.0	f. Implementation Finished	12/9/2003	Education	588	4.1.3	92
Basrah	Al Aqd Al Fareed School	\$91,140.0	f. Implementation Finished	12/9/2003	Education	493	4.1.3	93
Basrah	Al Karama Primary Boys School & Sham Secondary Girls School	\$62,000.0	f. Implementation Finished	12/20/2003	Education	1,080	4.1.3	96

Governorate	Grant Activity	Amount	Status	Status Date	Sector	Beneficiaries	IR	ID
Basrah	Basrah School for Boys	\$99,405.0	f. Implementation Finished	12/9/2003	Education	390	4.1.3	97
Basrah	Central High School	\$79,000.0	f. Implementation Finished	12/9/2003	Education	890	4.1.3	98
Basrah	Equipment, tools, rental space for Power Authority.	\$48,200.0	f. Implementation Finished	2/23/2004	Electricity	340,000	4.1.1	62
Basrah	Urgent need for test equipment, electrical materials and safety equipment.	\$162,397.0	f. Implementation Finished	2/24/2004	Electricity	340,000	4.1.1	63
Basrah	Hartha Substation repairs.	\$39,370.0	f. Implementation Finished	2/23/2004	Electricity	340,000	4.1.1	64
Basrah	Repair Basrah Servicing Substation.	\$99,110.0	f. Implementation Finished	2/23/2004	Electricity	340,000	4.1.1	65
Basrah	Repair Al Kibla and Mufakia Substations.	\$61,860.0	f. Implementation Finished	12/20/2003	Electricity	340,000	4.1.1	66
Basrah	Rehabilitation of Maquil clinic.	\$20,000.0	f. Implementation Finished	7/23/2003	Health	50,000	4.1.1	9
Basrah	Refurbish Medical Clinic.	\$112,000.0	f. Implementation Finished	10/18/2003	Health	1,700,000	4.1.1	59
Basrah	Refurbish health clinic.	\$12,000.0	f. Implementation Finished	12/24/2003	Health	25,000	4.1.4	57
Basrah	Refurbish Public Health Clinic.	\$17,000.0	f. Implementation Finished	10/18/2003	Health	25,000	4.1.4	58
Basrah	Quick action and water supply repairs.	\$190,000.0	f. Implementation Finished	10/18/2003	Water	141,666	4.1.1	13
Basrah	Urgent water repairs and water quality analysis equipment.	\$16,000.0	f. Implementation Finished	10/18/2003	Water	141,666	4.1.1	14
Basrah	Quick action repairs of water intake facility.	\$30,000.0	f. Implementation Finished	2/23/2004	Water	141,666	4.1.1	15
Basrah	Quick action and water supply repairs	\$40,000.0	f. Implementation Finished	10/18/2003	Water	141,666	4.1.1	16
Basrah	Urgent water treatment/repairs and provision of clean graded filter media.	\$30,000.0	f. Implementation Finished	10/18/2003	Water	141,666	4.1.1	17
Basrah	Urgent water treatment/repairs and provision of clean graded filter media.	\$12,000.0	f. Implementation Finished	10/18/2003	Water	141,666	4.1.1	18
Basrah	Urgent water treatment/repairs and provision of clean, graded filter media and security support.	\$105,000.0	f. Implementation Finished	2/23/2004	Water	141,666	4.1.1	19
Basrah	Urgent water treatment/repairs.	\$10,000.0	f. Implementation Finished	10/18/2003	Water	141,666	4.1.1	21
Basrah	Urgent water treatment/repairs and provision of clean graded filter media.	\$26,000.0	f. Implementation Finished	12/20/2003	Water	141,666	4.1.1	22
Basrah	Urgent water treatment/repairs and provision of clean graded filter media.	\$12,000.0	f. Implementation Finished	2/23/2004	Water	141,666	4.1.1	23
Basrah	Urgent water treatment/repairs and provision of	\$13,000.0	f. Implementation	10/18/2003	Water	141,666	4.1.1	24

Governorate	Grant Activity	Amount	Status	Status Date	Sector	Beneficiaries	IR	ID
	clean, graded filter media.		Finished					
Basrah	Urgent water treatment/repairs.	\$119,950.0	f. Implementation Finished	2/23/2004	Water	1,600,000	4.1.1	25
Dhi-Qar	Office Equipment/Furnishings, Nasiriyah City Planning Department	\$7,050.0	f. Implementation Finished	10/18/2003	Local Government	390,000	4.1.1	90
Muthanna	Samawah Marketplace Renovation	\$180,738.0	f. Implementation Finished	3/20/2004	Business Development	121,000	4.1.3	88
	Total	\$4,808,212.0						
	Grand Total	\$16,466,328.5						